THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XX. 10c. a Copy; $5.00 a Year PUBLICATION OFFICE: TORONTO, SEPTEMBER 3, 1926 Member of Audit Bureau of Circulations No. 36

The Nation's Business

Business is Apathetic
Appeal to Imagination of Public Needed
Biggest Need Now Stable Government
Gen. McRae Different
An English Forecast

BUSINESS men generally are displaying but small interest in this election campaign. The indifference can hardly be laid to lack of significance in the political situation. Canada is distinctly standing at the cross roads and can on election day, vote to turn from the side road of political confusion to the main highway of political stability. Nor can this comparative state of indifference be due to any lack of outstanding business problems, for Canada's national, and therefore political problems, at the moment — immigration, taxation, etc. touch business directly.

When the House was dissolved it was confidently predicted that the coming election would be one of the most hotly contested contests in the history of the Dominion. On the contrary, it has turned out, so far, to be one of the dullest. Probably never have the issues at stake been greater and seldom have the people been more apathetic.

What is the cause?

Is it not to be found in the absence of men of outstanding ability and prestige in both parties? It is doubtfull if one business man in a hundred could name half of the members of the present cabinet. They may be able men but they lack the prestige which is essential to win the confidence of the people.

There has been a general feeling that things have not been going as well as they should in Canada. We have not been taking advantage of opportunities lying at our door. Not for years have the people of Canada been in such a receptive mood.

Why are our strong, able business men silent at this time? Why has sufficient pressure not been brought to bear on them to induce them to take a more prominent part in this election?

* * *

IT IS too late now to re-organize the Cabinet before election, but it is not too late for some of the big business men of the country to come forward and on the platform and through the press give the voters a lead at this most critical time.

There is a big opportunity here for men who would be generally recognized as being above mere party politics or love of office; men who have a big stake in the country, men whose sincerity would convince the people that they are acting from patriotic motives and not from any selfish viewpoint.

From the business and financial leaders of the country, words of leadership at this time would be nuggets of gold.

The mind of the Canadian public is to-day as tinder, but one spark is needed to ignite it.

* * *

THROUGHOUT Canada there is being crystallized the feeling expressed in The Financial Post a week ago—that what is needed is not only a Liberal government nor only a Conservative government but a stable government — whatever the party label. The Vancouver Province, which has been accused by partisans of "wobbling" in this election, does not "wobble" in expressing a similar view. Says the Province:

> "All the extraneous, the imported, the merely partisan issues, are becoming submerged, it would seem, in the growing conviction that the real job for Canada on September 14 is to elect a strong government. Mr. Mackenzie King's constitutional popgun is missing fire. The customs scandal, while it is still portentous enough, has not become the cloud that could darken the whole political heavens. The major concern of the Canadian people in this election, so we are credibly informed from Ottawa, is already seen to be that there must be no more group government in this Dominion.
>
> "We are glad to receive this assur-

(Continued on page 16)

C.N.R. Plans Line Into Boischatel Area

The Canadian National Railways is grading a line from its branch, O'Brien to Rouyn, westward, to serve Amulet and Waite-Montgomery mines and on diagonally to reach the rich Alderson-Mackay, Nipissing and Coniagas groups in Boischatel and adjoining townships.

This will put the C.N.R. materially ahead of the T. and N.O. if the latter ultimately goes into the province. Meanwhile, it is understood the T. and N.O. has taken up with the Quebec Government the question of turning the surveyed line of their delayed road into a wagon road.

It is understood that the C.N.R. line to Rouyn from O'Brien is costing much less than expected and that there will be sufficient funds left to care for the extension to Boischatel.

JAMES STEWART HEADS ALBERTA PACIFIC MERGER

Big Grain Marketing Organization Completes Management Personnel

F.W. RIDDELL MANAGER

Former General Manager of Saskatchewan Co-operative is Vice-President and General Manager

It is now stated that all matters in connection with the recent re-organization of Alberta Pacific Grain Co., have been completed. The new organization is known as the Alberta Pacific Grain Co., and is headed by James Stewart, former chairman of the Canada Wheat Board, and one of the leading grain men of Western Canada, and F. W. Riddell, formerly general manager of the Saskatchewan Co-operative Elevator Co., Ltd., and vice-chairman of the Canada Wheat Board during its regime.

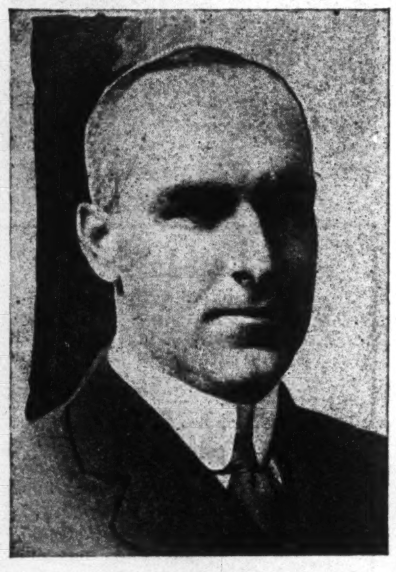
The Alberta Pacific Grain Company operates 325 country elevators in Alberta and Saskatchewan, also 226 coal sheds and a number of flour warehouses in these two provinces. The management of the company will be under the direction of James Stewart as president and F. W. Riddell as vice-president and managing director. R. W. Milner, formerly manager of the company's Winnipeg offices, has been appointed assistant general manager. Cecil Lamont is secretary of the new company. The offices of the managing director, the assistant general manager and the secretary, are located at Calgary.

Operate Vancouver Terminal

The Spillers' Terminal elevator at Vancouver, with a capacity of 2,500,000 bushels, will be operated under a company known as the Vancouver Terminal Co. James Stewart is president of this company; F. W. Riddell, vice-president and managing director; Cecil Lamont, secretary, and Ray E. Lee, of Vancouver, manager.

The export and marketing business, formerly carried on at the Pacific Coast by the old Alberta Pacific Grain Co., will in future be handled by the James Stewart Grain Corporation. James Stewart is president of this company; F. W. Riddell, vice-president; Cecil Lamont, secretary, and Arnold W. Whitmore, of Vancouver, manager.

The Alberta Pacific Grain Co., as now organized under the direction of Messrs, Stewart and Riddell, and with the large line of country elevators and terminal elevator equipment, with ramifications into grain marketing and export and coal and flour business, is one of the foremost grain handling concerns on the continent.



JAMES STEWART,
who has been elected president of the newly organized Alberta Pacific Grain Company.

Signs Indicate Satisfying Year For "Canners"

Everything now points to a normal year for Canadian Canners. A normal year, means a sizeable pack, moderately low prices, some expansion in business and profits, and further progress in modernizing the company's widely scattered plants.

Canadian Canners pack each year some 110,000,000 to 140,000,000 cans and jars of vegetables, fruit, soups, etc. The size of the pack depends upon the crops. Canners has about 90 per cent. of the Canadian output in its lines. By far the largest proportion of the total pack is of three vegetables—peas, tomatoes and corn. The pea pack is now in the background. It was a very satisfactory pack; larger than ordinary; quality good. The corn and tomato packs will be in full swing in a few days. The size of the pack in these two vegetables will have a lot to do with determining the company's earnings for the year and here the weatherman reigns. But, as stated above, a normal year is forecast by those in touch with the company's affairs.

What this means in the way of earnings is not capable of exact estimate at this stage, but a worth while increase over last year's earnings which were sufficient to amount to 5.27 per cent. on the preferred stock would not surprise the financial community. If the preferred stock dividend were earned this would mean an increase in net earnings from $480,000 to $635,000, not impossible but nevertheless not assured.

At the present time Canners is paying 4 per cent. on the preferred—that is one per cent each quarter. Dividends are now about 20 per cent. in arrears. Likelihood is small of this being paid off shortly. The directors are pursuing the policy of disposing of their pack at a small margin of profit, counting on expanding business from year to year and economical operations to increase net earnings rather than upon substantial large profits in any one year, due to large margins on sales.

ASK "MOUNTIES" BE PUT ON TRACK OF STOCK CROOKS

Send Plea to Minister of Justice to Stem Fraud Tide

SAVINGS STOLEN

Uninformed Investors Fleeced in Every Part of Canada By Slick Crooks From Across Line

The Federal Minister of Justice is being asked to put the services of the Royal Canadian Mounted Police to work to clean out the gangs of thieving bunco artists who continuously invade Canada from across theAmerican borderline and rob Canadian men and women of their life savings.

The request has gone forward from a Toronto institution, engaged in the sale of legitimate securities, to the Minister of Justice. It is being urged upon him that the provincial police throughout Canada are, by reason of their comparative immobility, not in position to take quick action where necessary to arrest and punish crooked stock salesmen. The Mounties, it is contended, with all-Canada connections and a well-organized secret service or detective force could swoop down upon the crooks before they would get out of Canada with their evil gotten booty and they could cooperate more closely with American federal agents to bring to justice illegitimate stock salesmen who manage to get into Canada, uncover a few small bank accounts, extract the money from the unsuspecting investors and get out of the country before suspicion is aroused against them.

Particular poignant stories came to hand showing the extent of the robberies being perpetrated by these slick Blackie Daws. Their operations are not concerned only with the sale of stock in companies foredoomed to failure. So bold have they become that they get money under false pretences. Their punishment requires no blue sky law. The criminal code covers the multitude of their sins.

In one case of recent occurence in Ontario, one of these stock salesmen called on a woman who had bought stock in an established Toronto company. They told her that they repre-

(Continued on page 13)

Leading Oil Refining Companies in Canada Give Shareholders Little Information as to Earnings

IN RECENT years, the tendency in corporation finance in Canada—though to a lesser extent than in the United States—has been to give to investors and the public the fullest possible information concerning operations and earnings of individual companies. Wide distribution has been gained for the securities, even the common shares representing ownership, of the larger Canadian industrial and public utility companies. Companies that have for years been operated as private corporations have offered their securities to the public and won thousands of new partners.

Bulwarks of public goodwill and interest have thus been erected against attack by legislative action or class antagonism.

Accompanying the movement, has been the virtual disappearance of the old time policy of maintaining the utmost secrecy regarding earnings and operations in general. To-day, progressive companies realize that the shareholder, as a partner, is entitled to regular and measurably comprehensive information as to what is happening to his investment. It is realized, too, that public confidence is gained by open publication of earnings figures.

Conspicuous, by reason of the refusal of its largest units to adopt this policy, is the oil refining industry in Canada. In the main, the general public knows little of the profits or losses experienced in the sale of oil and gasoline and allied products in Canada.

That public suspicion as to the extent of these profits has been aroused is shown by the fact that at least one provincial government has acceded to public demand for an inquiry into oil and gasoline prices, while the daily press has continuously, by charge and innuendo, questioned the fairness of oil and gasoline prices in Canada.

The Financial Post proposes to discuss the policy of a number of the leading refiners in Canada in regard to the publication of earnings figures. Chiefly the inquiry is concerned with the information to which shareholders in these companies are entitled, but the fact that the general public is to-day regarded as a partner in industry will not be overlooked.

The first article, herewith, deals with the largest unit in the Canadian industry, Imperial Oil, Limited.

Imperial Oil Publishes No Financial Statement

WHILE there is plenty of evidence that profits in the oil refining industry in Canada have been consistent and large, it has not been the policy of the oil companies generally to publish their balance sheets of profit and loss figures. In no other industry, where the investment public is so widely interested, are successive financial records of the largest companies so difficult to obtain. Dividend records of most of the companies are public property, but profits and balance sheet figures have not been made public by the two largest and most of the smaller gasoline companies. In fact, very effective steps have been taken to keep these figures from the investment public.

Imperial Oil is the largest of the refining and distributing companies. While it is known to have made enormous profits in the past eight years, chiefly due to the progressive policy of the management and the judicious reinvestment of earnings, the public has been given no inkling of what these amounted to.

Market Value Over $234,000,000

The company has 6,511,527 shares of stock outstanding. There is no bonded indebtedness at all. At the present time, this stock has a market value of about $35 a share, which would make the market's valuation of the net assets of the company over $234,000,000. It is doubtful if the company's actual assets total reach such a valuation. The market price of the stock, as in the past, discounts future possibilities. This is shown by the fact that the current dividend is only $1 a share, making annual dividend payments $6,511,527, and hardly justifying on the basis of the yield the market price.

Net profits available for dividends are no doubt very much in excess of $6,500,000 yearly. The company has always pursued a very conservative dividend policy and has built up the present enormous institution almost entirely out of earnings ploughed back into the property.

What Early Investment Has Done

It has been calculated that if an investor has held his stock continuously since 1914; has taken advantage of all new stock subscriptions offered and has retained all his shares, he has to-day 45¼ shares, worth about $1,650 for each $100 share he then held.

If he has sold his stock subscription rights and has retained the stock dividends, he has 32 shares of a current value of $1,180 and his dividend income is now $32 a year for each $100 share he then held.

Imperial Oil controls the International Petroleum Company, which is its South American producing company, supplying it with a large proportion of its crude oil. This company also follows the habit of publishing no figures and the shareholders only

Continued on page 16)

1926 Wheat Crop Will Create Spending Power

With Debts All Paid, West Faces Prosperous Era and Will Be Able to Buy

GOOD NET ASSURED

Price Will Be Well Above Production Costs and Yield Certain to be Large

By J. W. TYSON,
Editor, The Financial Post.

Mr. Tyson will visit all important prairie and British Columbia points during the coming month.

REGINA. — The Saskatchewan wheat harvest promises to still have its surprises for the crop forecasters, according to those in touch with the situation, who report that threshing results are indicating substantially higher yields than had been thought possible. Since the break in the heat spell which had been thought to have destroyed considerable areas of wheat, there has been a surprising recovery, the extent of which is only being revealed as the actual threshing proceeds. Heads have filled remarkably well and there has been practically no damage from rust. This means, too, that the grade average will be high and this is just as important as yield in relation to dollar returns. Estimates for the great wheat province are therefore being further revised upwards and from a minimum of 185,000,000 bushels the figures are being raised to 200,000,000 and substantially above that figure. The more optimistic are talking of equalling the total of about 240,000,000 bushels of last year. In any event with a higher total from Alberta and an average for Manitoba, the wheat harvest should be closer to the 1925 total than could have been considered possible a few weeks ago.

Larger harvests than forecast are aggravating the help shortage. However, much depends on the weather which is at present generally favorable. A protracted threshing season will do little harm with a comparatively stable wheat market unless rains or early severe frosts are experienced. There is a real demand for several thousand hands but the shortage need not necessarily be attended by severe losses.

WINNIPEG.—Another good crop is practically assured for Western Canada. Estimates as to the total yield vary more than is usually the case at this season, but there are no two opinions as to the crop being substantially profitable, with potentialities for creating new spending power as compared with the largely debt-paying crops of recent years. Business is already beginning to feel the benefit, and the improvement which began at this time a year ago is being given added impetus. This is not only reflected in a larger volume of retail and wholesale business but in expanding and new industrial activities and in commercial, industrial, residential and institutional building. And, largely no doubt because of the lessons of the past, and the drastic and frequently painful adjustment of agricultural credits, what is being experienced is not a boom in any sense but the establishing of what may be regarded as sound Western normality.

Crop Estimates May Rise

Estimates of the crop are anywhere from as good as last year—that is over 400,000,000 bushels—to something over 300,000,000 bushels. For this discrepancy there is an explanation in the fact that the larger figure

(Continued on page 5)

England Takes $600,000 Montreal Terminal Bonds

English capital shares with American capital and Canadian initiative credit for the successful financing of Montreal Rail and Water Terminals.

When $3,000,000 of the first mortgage bonds were sold in New York last week, arrangements were made whereby $600,000 of general mortgage bonds were placed with a British investing institution.

The general mortgage bonds bear 7 per cent. interest, fall due in 1946, and carry a sinking fund provision.

CANADA CEMENT SALES TO TOUCH NEW HIGH PEAK

With Best Month in History Behind, Company Has Good Outlook

MONTREAL.—There is every indication that Canada Cement Company will attain a record year in sales for 1925 during 1926. Last month, it is understood, was the largest month in the history of the company and there is no indication of a slowing up in business.

For years, the farm market has constituted over 50% of the company's total distribution. The shattered purchasing power of the farmer in the post-war years would seriously have affected sales had not extensive power developments and road building been under way to keep sales up to something like the average. The farmer has been coming back and in every part of Canada, except the far West, the country trade in cement has shown big increase. Sales have not come up to expectations in Alberta and Saskatchewan because the two bumper crops of last year and 1924 were essentially debt-paying crops. Now that the farmers are squared off, the good return that is assured from the current year's harvest seems likely to bring farm sales of cement back to a new high peak.

Road Building Peak Passes

Sales of cement for highway construction have shown some decline as the peak of road building has passed but, nevertheless, the continued rise of the motor car, which is providing the provinces yearly with vast revenues, which they are inclined to spend on further new roads to attract tourists, gives every indication of making this a steady source of business for Canada Cement.

Big power developments have, of course, provided an excellent market. The extent of that market can be guaged from the fact that the Isle of Malignes development of the Duke Price Power Company took some 600,000 barrels of cement, which is equivalent to one entire month's normal production of all cement plants in Canada at the production rate achieved in recent years. Of course, the cement was not all purchased in one year, but the figures are illuminating as showing the extent of the market for cement provided by these developments. The new development in the Lake St. John district, of the Aluminum Company of America, will take, in the next three to five years, a million barrels of cement. This may be compared with the average monthly production of all cement plants in Canada of between 600,000 and 700,000 barrels.

Goodyear Tire Cash Position is Strong

"Goodyear Tire was never in better position at any time than it is right now. Its financial position is better than it was, even before the trouble it ran into through no fault of its own several years ago."

This opinion was expressed this week to The Financial Post by a financial man in intimate touch with affairs of Goodyear Tire and Rubber Company of Canada.

Goodyear's year ends September 30 and very satisfactory earnings are expected. Business has shown extensive increases over business for a year ago, both as regards cash value, due to high prices of rubber, and measured in units of production.

Early action on paying off the 5¼ per cent. now in arrears on the preferred stock is expected. While the company has conserved its resources to the end of preparing for any possible developments in the rubber market the need for withholding this preferred dividend from the shareholders is now declared to have disappeared and its early disbursement will occasion no surprise.

Cash position is strong and working capital is well over five million dollars.

Peace River Doing Well

"Crops are excellent; threshing has commenced; weather ideal."

Brief but significant, this is the message in Peace River conditions sent to The Financial Post by L. C. Porteous, leading merchant of Grande Prairie, Alberta.

Investor's Index

Alabama Pow.	8
Alberta Pac.	1
Asbestos	9
Bank Stocks	7
Barry	19
Belding Silk	5
Brompton	6
Barcelona	7
Besco	4
B. C. Fish	9
Bethlehem	11
Canners	1-11
Can. Car	4
Can. Woollens	5
Can. Bread	9
Canada Cement	1
Can. Steams	12
Can. Ind. Alc.	4
Cape Breton	8
Christie Brown	10
Commercial	5
C. P. R.	4
Detroit United	8
Dominion Stores	9
Dryden	6
Duprat	18
Famous Players	11
Foley	18
Flin Flon	19
Ford of Can.	4
Goodyear	1
Gosse Pack.	9
Grand Trunk	12
Gunn's	9
Howard Smith	6
Ice-O-Matic	11
Inter. Paper	6-8
Imperial Oil	1
Marconi	8
Massey-Harris	4
Mfrs. Finance	11
Montreal Power	7-8
National Cash	4
N. S. Steel	11
O'Brien	18
Ottawa Trac.	8
Shawinigan	8
Spanish River	6
Steel of Can.	4
Twin City	8
Wayagamack	6
Winnipeg Elec.	8

Trend of Business and Industry

Background of Canadian Business

WEEKLY REVIEW OF CONDITIONS

Business Holds Up Well in Canada
Steel and Equipment Industries Have Good Outlook
Wholesale and Retail Trade Good
English Strikes Affect Our Exports

WITH the exception of seasonal declines in one or two lines of industrial activity, business continues to hold up remarkably well, and there is a strong tone of optimism prevailing throughout the country, which is more pronounced at this time than at the corresponding date of any year since 1920. This is all the more gratifying in view of the fact that the Federal election is now only a few days away. In the past, a general election has invariably witnessed a slowing down of production and "hedging" on development work until the state of internal affairs has become settled. The present campaign is noteworthy in that business, as a whole, has not suffered any appreciable setback; in fact any results of the coming election have been pretty well discounted by business men.

This is borne out by the employment situation at the beginning of August, when 5,864 firms reported having 854,604 workers on their payrolls, as compared with 849,565 on July 1. The index number rose from 103.7 on the latter date to 104.2 on August 1, as contrasted with 96.3, 94.7 and 100.2 on August 1, 1925, 1924 and 1923, respectively. This betterment was directly due to the moderate improvement in manufacturing, construction, services, trade, communication and transportation. Continued seasonal losses were indicated in logging. With the exception of Ontario and the Prairie Provinces, where a slight falling off was indicated, all the provinces reported greater employment.

Harvest Help Shortage Continues

The yield of this year's wheat crop—now placed at approximately 400,000,000 bushels as against the Department of Agriculture's last estimate of 316,000,000 bushels—has brought about a serious shortage of harvest help. This is due, aside from the increased yield expected, to the fact that the number of men going West this year has been about 50% less than usual, while the floating supply of local labor has been absorbed in other industries, particularly construction. Wages have increased from $3.50 to $5.00 a day and every effort is being made to alleviate the situation. As a result of the change in the wheat yield outlook, together with increased quantites of grain in storage and lack of export orders, prices of wheat have sagged and No. 1 Northern was quoted at $1.45½ on the Winnipeg Grain Exchange on August 28th.

Rail Orders Keep Steel Mills Busy

The steel, equipment and construction industries have a fair to good volume of business on hand and the outlook is encouraging for additional work in the fall and winter months. Besco and the Algoma Steel Corporation are working on substantial orders for rails, which will keep the rolling mills busy for the next few months. Orders for street cars and rolling stock are engaging the attention of equipment companies. The farm machinery companies, notably International Harvester and Massey-Harris, are maintaining a steady rate of production, with considerable volume of new business in sight. There is no great activity in the demand for pig iron and easy prices lately quoted still prevail. With the fall and winter programmes definitely fixed, a higher market for pig iron is looked for. There are signs of further activity in the steel business and an advance of $1.00 a ton in steel products, including bars and shapes, appears to be imminent, although nothing definite or official has been announced.

Both wholesale and retail trade in the larger centres report present volume of business as good, with prospects for fall and winter business as distinctly encouraging. Sorting business in dry goods is fairly good especially in the West, and is ahead of last year. Hardware sales continue strong, while groceries, boots and shoes, are reported as normal. Retail trade is strong in all staple lines. There is a slight betterment in collections, which will show further improvement when the farmers receive returns from this year's crops. Commodity prices in most lines continue steady, with very little fluctuation.

Labor Troubles Hurt Exports

The export trade is fair, but the situation in regard to agricultural products leaves room for improvement. Shipments of flour, butter, cheese, cattle, etc., are less than at this time last year due to labor troubles in England, which have considerably curtailed the buying power of certain classes of labor in that market.

Stock market quotations are at a high level. The volume of trading on the Montreal Stock Exchange last week was at the greatest level in the history of the exchange, a total of 318,143 shares comparing with the previous best turnover of 300,045 in the previous week. The demand for Canadian bonds in the United States is strong and the local markets are absorbing all good issues which are offered them. There is plenty of call money available.

Agricultural Survey

Big Crop; Lower Prices
Livestock Exports Off
British Buying Slow
Fruit Revenues Normal

FAVORABLE climatic conditions in the latter part of August have been of considerable benefit to the grain crops of the Prairie Province, particularly the late sown wheat, and the last estimate of the wheat crop issued by the Department of Agriculture—296,000,000 bushels—is considered far too conservative. It is now generally agreed that the wheat yield will approximate close onto 400,000,000 bushels, or nearly the same as last year. Oats, barley, coarse grains, etc., have also recorded some improvement, but there is no material change from the last report.

Cutting of the earlier sown wheat and other grains is about 50 per cent. completed, while threshing is underway in a number of districts. This work, however, has been delayed somewhat owing to scarcity of harvest help. The estimated number of harvesters required this year was placed at 50,000 but the response was somewhat disappointing, being about half the size of last year's movement. The marked improvement in industrial conditions this year has resulted in the absorption of much of the floating supply of labor and although farm wages have increased, it is likely that the western farmer will have to contend with a serious shortage of labor.

Foreign Outlook Not Bright

The outlook for marketing this year's grain crop does not look overly bright at present. There is little foreign demand; stocks on hand are above normal; and the difference between supply and demand is not expected to be as great as last year. Consequently there has been a recession in price, No. 1 Northern cash wheat being quoted at $1.45½ on the Winnipeg Grain Exchange on August 28. However, a promising feature of the grain situation this year is that wheat is grading considerably higher than last year, which should bring about greater returns to the farmer.

There is still room for improvement in the marketing of livestock. The labor unrest in England continues to have an adverse effect on livestock sales in that country, and prices at Birkenhead for Canadian store cattle have eased off somewhat, ranging from 18c. to 19c. a pound, or about 2c. a pound below same period last year. Supplies have been kept up well, but English buyers have not been purchasing in large quantities. Up to the end of August, the season's total cattle shipments from Montreal amounted to about 17,500. There is little likelihood of the export market picking up until the miners' strike has been settled. The domestic market reflects the export situation and prices have shown weakness.

Buying Only for Present Needs

Similar conditions exist in the market for dairy products. British buyers have been purchasing only for immediate needs and prices for both butter and cheese have shown a tendency to weakness. Butter prices have eased off ¾c. to 1c lower than last week, while the advance in price for cheese asked at the beginning of last week was not maintained. The stock of cheese in the whole of Canada on Aug. 1 last, according to the Internal Trade Department, was 34,016,315 lbs., which showed an increase of 10,770,957 lbs. with a year ago. On the same date stocks of butter amounted to 25,960 032 lbs., an increase of 10,156,009 lbs., as contrasted with the same date last year.

Nothing untoward in the fruit situation is reported. Decreases in the commercial apple crop are reported for some provinces, while others report increases, so that a normal crop is anticipated. The small and stone fruits are being readily disposed of at favorable prices and the situation, as a whole, is considered fair. With the exception of the egg market, which is showing signs of considerable strength, other phases of the agricultural situation show little change.

Canadian Business Indicators

Compiled weekly by The Financial Post

	1926	1925	
Car loadings, week August 21	59,092	53,526	+ 10%
Year to date	1,899,813	1,682,897	+ 13%
Merchandise shipped, year to date	512,589	482,395	+ 6%
Building permits—June (63 cities)	18,717,028	12,812,603	+ 46%
Construction contracts awarded, June	33,865,000	22,179,000	+ 52%
Railway Earnings—Seven Months—			
C.P.R. gross	101,826,207	90,383,867	+ 13%
C.P.R. net	17,877,823	11,186,521	+ 60%
C.N.R. gross	143,516,794	125,914,357	+ 14%
C.N.R. net	17,536,998	5,667,287	+210%
Pig Iron Output—tons, June	70,854	45,883	+ 54%
Steel Ingot production, June tonnage	81,277	63,140	+ 28%
6 months to June 30	410,603	413,891	— 0.7%
Employment—August index	104.2	96.3	
Newsprint production—May tonnage	153,969	130,013	+ 18%
Automobiles produced—(Seven months to July 31)	140,086	105,687	+ 32%
Immigration—4 months to May 31	39,442	21,776	+ 81%
Business failures—No. of firms, June	142	145	
Liabilities, June	$2,312,913	$2,648,954	
Imports of key commodities, 12 mos. ending July—			
Rubber (raw, in pounds)	45,509,551	37,224,426	+ 22%
Cotton	$27,507,219	$26,725,520	+ 3%
Crude petroleum	$31,514,766	$22,823,931	+ 38%
Exports of key commodities—Canned salmon, May, lbs.	1,303,000	2,019,000	— 35%
Newsprint, May, tons	135,251	115,766	+ 17%
Wheat flour, June, bbls.	1,029,490	596,001	+ 73%
Wheat, June, bus.	9,918,315	9,354,355	+ 6%
Grain receipts, August 1 to August 20	2,335,055	2,513,632	— 7%
Bank clearings, July	1,227,121,299	1,119,600,769	+ 9%
Savings deposits, June (chartered banks)	1,328,225,287	1,253,703,216	+ 6%
Current loans, June, (chartered banks)	931,548,713	895,592,277	+ 4%
Exports, 12 months to July 31	1,343,968,818	1,093,165,663	+ 23%
Imports, 12 months to July 31	969,296,368	817,683,042	+ 18%
Balance of trade, 12 months to July 31	374,672,450	275,482,621	+ 36%
Price level, June index, 236 commodities	155.7	158.6	
Wheat, No. 1, Nor., Winnipeg, August 30	1.45	1.67	
Cattle—Good, Toronto, August 30	$7.90	Aug. (Aver.) $7.47	
Hogs—Select, Toronto, August 30	12.75	Aug. (Aver.) 14.00	
Pig iron (Number 1 foundry)	28.50	Aug. (Aver. 27.50	
Bond sales, July	$58,205,534	$5,431,956	
Life Insurance Sales, seven months	268,918,000	244,764,000	+ 8%

New Brunswick Tourist Traffic Shows Increase

Present indications point to this year as being the best New Brunswick has ever experienced in the matter of tourist traffic. Since the opening of the touring season up to August 5, 8,213 American cars have entered the province from various points, with one port of entry yet to be heard from. This number exceeds last year's entries for the same period by 1,277.

In addition to this heavy motor traffic from the States, a considerable number of tourists from the New England States have entered the province by rail, while there has been the usual quota of summer visitors from the neighboring provinces of Nova Scotia and Quebec. It is not unlikly that the total revenue derived by New Brunswick from this source for the present year will exceed that of 1925 by at least 25 per cent.

200,000 Cars of Freight In 1926 More Than 1925

Car loadings show continuing increase, the margin over 1925 figures being substantial in both eastern and western Canada.

Total car loadings for the week ended Aug. 22 were:

	1926	1925
Eastern Canada	41,615	37,892
Western Canada	17,477	15,634
Total	59,092	53,526

Merchandise loadings, in less than car load lots, amounted to 17,291 cars for all Canada, as opposed to 15,985 cars for the same week in 1925.

Cumulative totals for the year to date show total carloadings of 1,899,813 cars, as against 1,682,897 for 1925.

Rubber Imports For Canadian Manufacture Show Increase

Busy condition of Canadian rubber factories, chiefly due to the unprecedented demand for automobile tires, is revealed by the large increase in importations of raw rubber.

Imports of raw rubber in July totalled 3,477,549 pounds as against 3,624,628 pounds in July, 1925, a decline, but not one of significance when it is considered that imports totalled 45,509,551 pounds in the first twelve months to July 31 as against 37,224,426 pounds in the twelve months to July 31, 1925.

Due to increased rubber prices the importations, in values, show greater increases. For twelve months imports of raw rubber had a value of $31,286,010 against $14,480,321.

Furniture Factories Have Better Business to Report

Furniture factories in July received orders representing an increase of 18.25 per cent. over July, 1925, the Furniture Manufacturers' Association of Canada reports to The Financial Post.

July 1926, shipments show an increase of 13.34 per cent. over those of July 1925. The increase in July 1925, over July 1924, was 23.3 per cent.

The amount of unfilled orders at the end of July 1926, are equal to slightly more than one month's shipments of the quantity represented by July shipments.

The total volume of orders reported received in July by the 48 firms sending in information totals $878,819.

The amount of shipments given by the 51 firms reported during July totals $1,115,465.

The amount of unfilled orders as at July 31, 1926, according to our records, totals $1,137,901.

Blackfriars, English Concern, Opens Agency in Canada

Another English company, Blackfriars, Limited, manufacturers of soft drink preparations, have definitely entered the Canadian market, with the establishment of an agency in Toronto.

It is the present intention of the British company to put in a stock of some 10,000 cases of their products at Toronto, all of which will be brought in from their plant in London, England. Later on they intend to open other agencies throughout the Dominion and to import necessary machinery and mechanics from England to manufacture the requirements of the local trade here.

The opening up of Blackfriar's agency here bears out the statement recently made by F. W. Field, senior British trade Commissioner in Canada, that the next few years will see a large number of agencies and branches of British houses opened in Canada. Mr. Field states many Old Country concerns are keenly interested in the Canadian market for their wares and quite a few of them are going ahead making definite arrangements for their entry in this field.

CANADIAN OIL IN DEMAND

There has been a persistent inquiry for Canadian Oil shares, but little stock has come out. Both common and preferred are said to have further possibilities. The preferred has been paying dividends at the rate of $8 per annum for the past 18 years without interruption, and at present market level of 111½ returns the investor a yield of about 7.20 per cent.

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO. LTD
366 ADELAIDE ST WEST
TORONTO 2

PROBLEMS
Merchandising Problems
Sales "
Advertising "
Manufacturing "
Submit them to
F. E. MUTTON
705 Federal Bldg.,
Toronto
Phone Adel. 8031
Canada's Leading Industries our clients.

CANADIAN BANK NOTE COMPANY LIMITED
Engravers and Printers
BANK NOTES AND CHEQUES
CORPORATION BONDS
STOCK CERTIFICATES
MUNICIPAL DEBENTURES
AND OTHER
MONETARY DOCUMENTS
Head Office and Works
224 Wellington Street, OTTAWA
Branches
MONTREAL TORONTO

ANGLIN-NORCROSS
(LIMITED)
Contracting Engineers and Builders
MONTREAL :: TORONTO

DUNCAN and BELL
Barristers and Solicitors.
Lewis Duncan H. Brooke Bell
Lewis Duncan, Author of "The Law and Practice of Bankruptcy in Canada."
Wilson Building, 73 Adelaide St. West, Toronto, Canada.
Cable Address: "Bankruptcy" Toronto.

Moderate Rates For Fall Sailing
AN inexpensive trip to Europe during the glorious Fall season—on one of the luxurious CABIN CLASS Ships—could anything be more enticing? Spacious state-rooms, unexcelled cuisine, sports, dancing, concerts!
1,000 miles of inland river waters—only 4 days open sea.
Inquire about convenient direct service to Belfast
Enquire of your steamship Agent or write:
J. E. PARKER
General Agent Ocean Traffic
C.P.R. Building, Toronto
Canadian Pacific Steamships

Your Business
TAKE the local manager of this Bank into your confidence and let him co-operate with you for the success of your business.
Total Assets in Excess of $750,000,000
Head Office: Montreal
Branches in all Important Centres in Canada
Savings Departments in all Branches
Bank of Montreal
Established 1817

Making Collections
This Bank makes a feature of its collection service. This means that your drafts will be forwarded promptly, presented promptly and followed up until the credits appear in your bank account.
IMPERIAL BANK OF CANADA
173 BRANCHES IN DOMINION OF CANADA.
Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches.
IRELAND—Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

CLARKSON, GORDON & DILWORTH
CHARTERED ACCOUNTANTS
E. R. C. CLARKSON & SONS
TORONTO MONTREAL
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

IN NEW YORK
The New York agency of the Bank of Nova Scotia is located at 49 Wall Street, in the heart of the financial district, and our Canadian customers visiting New York are invited to avail themselves of its services.
Toronto Branch Entrance
THE BANK OF NOVA SCOTIA
Established 1832
Capital, $10,000,000. Reserve, $19,500,000.
Total Assets, $240,000,000.

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SIX BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; S. E. Oscarson, Fargo, North Dakota; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking and Foreign Exchange Business Transacted.

INITIATIVE WINS!
While your salesman's on the train your competitor may be on Long Distance
"11 Long Distance calls costing $4.65 sold 2,776 lbs. of meat for $688
—writes a Butcher
THE BELL TELEPHONE CO. OF CANADA

Canadian Manufacturer Claims Canada Should Have Own Laboratory

A leading Canadian manufacturer writes to The Financial Post condemning the present plan of forcing British and Canadian manufacturers of fire-protection and electrical appliances to have their products approved by a Chicago laboratory before being accepted as standard by Canadian fire insurance companies.

This manufacturer says:

"I notice a discussion going on in The Financial Post with regard to approval of British and Canadian apparatus by the Fire Underwriters' Laboratories of Chicago.

"Canadian-made fire fighting apparatus has to be approved by either of two fire underwriters laboratories, both of which are located in the United States, one in Chicago and the other in Boston. The laboratory which has to approve of the design depends on the fire insurance company which is carrying the risk, some fire insurance companies doing business with the Chicago laboratory and some doing business with the mutual laboratories in Boston. The Canadian Fire Underwriters accept the approval of either laboratory.

Two U. S. Labs. O.K. Goods

"The point, however, is that manufacturers of Canadian made apparatus for use in Canada are compelled to have their designs approved by a United States laboratory. In the case of the fire underwriters laboratories, of Chicago, we have been forced to enter an agreement and pay an annual fee as well as other charges, in order to be able to sell our apparatus to certain Canadian institutions in Canada. We objected very strenuously, but had gracefully to submit. In the case of apparatus insured by the Manufacturers Mutual Fire Insurance Company, of Providence, R.I., our apparatus has to be approved by their engineer also. To this latter we have, of course, no objection.

"It seems to me, however, that it is manifestly unfair to Canadian manufacturers to compel them to go to the United States to have their apparatus approved before it can be sold to Canadian institutions, and it is time that the Canadian fire underwriters established its own laboratory. I am not satisfied that there is discrimination in favor of American manufacturers, but unless you are on the approved list of the laboratory connected with the particular insurance company concerned you are not considered.

"I hope that The Financial Post's discussion will lead to a proper solution, namely, that the Canadian manufacturers' apparatus should be approved by Canadian fire underwriters without having the designs referred to the United States."

Situation That Raises Point

While electrical appliances, approved by the Ontario Hydro-Electric Commission laboratories in Toronto, can be sold in Ontario and are often accepted by fire insurance inspectors outside Ontario, the situation is that the bulk of electrical equipment sold in Canada, and, to judge from the letter quoted, all fire fighting equipment, must be passed by a laboratory chiefly supported by American manufacturers, even though it be equipment of British or Canadian manufacture.

Professors Offered Services to Government During War

But Economists Were Not Wanted—So Says Professor in Replying to "College Man in Business"

Referring to an article entitled "College Diploma no Sure Key to Business Success," which appeared in these columns recently, the following has been received from Prof. H. Michell of McMaster University:

Editor Financial Post:

Your article in the issue of August 13 entitled "College Diploma No Sure Key to Business Success" is interesting and induces not a little heart-searching perhaps both to business men and the teachers of economics. "College Man in Business' is eminently fair and just, and there is no statement in his article which I could possibly quarrel with. There are, however, several little points which I would like to comment upon and would like very earnestly to bring to the attention of our business men. College Man is quite right, professional economists in Canada are not made use of by the business world as they are in the United States. Perhaps there are faults on the side of the professors. I for one would be the first to acknowledge that possibility, but I do suggest that the worst fault is on the side of the business men, who have not yet wakened up to the possibility of making use of university professors. The old, old (and very stupid) idea that the professor is an impractical dreamer far removed from everyday problems and still knowing nothing more modern than Adam Smith's Economics, persists, and is only too often reiterated by men who ought to know better, and, I am convinced, in many cases, do know better. In the United States, the business world has found out differently, and utilizes the professional economist to the utmost. Why that is so in the United States and not in Canada I give no opinion, but leave it to the Canadian business man to decide for himself. During the war the United States government practically mobilized the professional economist at Washington for special work. I dare say no harm will be done now in saying that all the leading economists in Canada placed their services in the War unrestrictedly at the disposal of the government at Ottawa, and were refused with more curtness than strict courtesy would seem to demand.

I venture to suggest that the secret lies in this abominable "inferiorty complex" that so bedevils us in Canada. The business man imagines that the professor is high in the clouds far removed from his own humble intelligence, while all the time the professor is ready and anxious to be of practical help to the business man. It is a funny sight, it is even a pathetic sight, to see a "practical" business man relapse into sheer panic at the sight of what he thinks is "theoretical" or "impractical" while all the time, if he took five minutes to study what the professor is trying to tell him, he would see that after all the dreaded "theory" is very simple and quite eminently "practical."

But I do not want to be thought as merely complaining of the business man. As I have already said, doubtless there are grave faults on the side of the professors. But let me get down to several practical issues, and ask the business man what he wants us to do? Here we are, professors of economics in your own Canadian universities, paid by your money, your servants to teach your own sons, and try to help you in your business. Now how can we best do it? What faults do you find in us that we may remedy? Surely that is a fair rejoinder to College Man in Business?

I speak for myself alone, but I am quite sure I am only echoing the thoughts of my professional brethren when I ask the business world of Canada to tell us what it really wants; and if it is humanly possible we will try to give it what is wanted.

I have no desire to remain anonymous, so will sign my name. Perhaps some will recognize me as one professor who has tried and is still trying to be of service to business men in Canada.

H. MICHELL.

AUTOMOBILE SALES $83,000,000 IN 7 MOS.

More Cars Bought in Canada In Year to Date Than in All of 1925

In the first seven months of this year, Canadians purchased 116,721 new automobiles, spending $83,359,290 on them. This represented a new high peak for all time. More cars were bought in Canada in the first seven months of the year than in any previous full year. Sales for the seven months period compared with consumption of 74,657 cars valued at $7,411,804, for the first seven months of 1925.

Production of motor cars in Canada in July totalled 15,208, bringing figures for the year to date to 140,086 as against 105,687 in 1925.

July Motor Car Production

	Cars	Value
Passenger	12,665	....
Buses	5	....
Trucks	2,038	....
Chassis	500	....
	15,208	$8,759,280

Seven Months to July 31

	Cars	Value
Passenger	108,611	....
Trucks	18,011	....
Chassis	13,360	....
Taxis and buses	104	....
	140,086	$84,528,730

Cars imported in July totalled 3,022 and exports 4,158.

Apparent Consumption of Motor Cars

July

	Number	Value
Imports	3,022	$2,400,618
Add Production	15,208	8,759,280
Less Exports	4,158	1,547,607
Apparent Sales	14,072	$9,612,291

Seven Months to July 31, 1926

	Number	Value
Imports	19,626	$17,028,514
Add Production	140,086	84,528,730
Less Exports	42,991	18,197,954
Apparent Sales	116,721	$83,359,290
1925	74,657	59,651,343

BENNETT, HANNAH & SANFORD
Barristers, Solicitors, Etc.
Calgary, Alberta—Canada.
Hon. R. B. Bennett, P.C.K.C.
P. L. Seaford, B.A. A. Hannah
O. H. E. Might, E. J. Chambers, LL.B.,
H. G. Nolan, M.C.M.A.

THE ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter, 1727
Capital (fully paid) £2,500,000
Rest or Reserve Fund,
(Oct., 1925) £2,464,704
Deposits (Oct., 1925).....£40,790,229
Governor:
His Grace the DUKE OF BUCCLEUCH AND QUEENSBERRY, K.T.
Deputy-Governor:
Rt. Hon. the EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.
HEAD OFFICE: EDINBURGH
General Manager:
Sir Alexander Kemp Wright, K.B.E., D.L.
Secretary: J. B. Adshead.
LONDON CITY OFFICE:
3, Bishopsgate, E.C. 2.
LONDON (WEST END): DRUMMONDS BRANCH, 49, Charing Cross, S.W. 1.
GLASGOW (PRINCIPAL) OFFICE:
Royal Exchange Square and Buchanan St.
Over 200 Branches throughout Scotland.
Every description of British, Colonial and Foreign Banking Business transacted.
Foreign Exchange Department at all the Principal Offices.
Correspondence invited.

WHEN REMITTING
SEND
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

THE
ROYAL TRUST Co
EXECUTORS
AND
TRUSTEES

NO UNEMPLOYMENT IN CANADA; MORE WORKERS BUSY

Government Index Shows Steady Advance in Business Activity

Employment statistics continue to show that activity is quickening in trade and industry in Canada. There are more people at work in Canada now than at any time since 1920. Unemployment has disappeared.

The Canadian employment index number for August is 104.2 which compares with 96.3 a year ago.

Employment conditions by provinces show the trend in different lines of business.

Maritime Provinces.—Employment in the Maritime Provinces shows a further gain. Construction, particularly road work, transportation and iron and steel reported have heightened activity, while coal mining has been slacker and there have been seasonal losses in fish canneries and logging. Large reductions were noted on the corresponding date of last year, when the index was lower.

Quebec.—Manufacturing, mining, communication, trade and construction have registered increases in the numbers employed, those in the last named being most pronounced. Logging and shipping show the only marked declines, although some slackening is indicated in iron and steel and textiles, partly owing to shutdowns for holidays and inventories.

Ontario. — The most outstanding changes in employment in Ontario are the declines in iron and steel plants and in railway construction. There are also further losses in logging. On the other hand, food, pulp and paper, rubber, textile and lumber factories showed improvement, as do mining, building and highway construction.

Prairie Provinces.—Railway construction work shows a slowing up, and there are also seasonal losses in logging and coal mining. Transportation, services and manufacturing, however, afford more employment.

British Columbia. — Improvement is again shown in British Columbia. Manufacturing, especially the canning and related industries, construction and trade record increased activity. Employment is much brisker than in August last year, when expansion had also been indicated.

Pilchard Oil, B.C.'s Newest Wealth Source, Sent to Europe

With shipment of pilchard oil to Europe, British Columbia has further broadened its newest industry.

Though this is the second year in which pilchards have been used in reduction plants, 1925 was practically a "trial" year, and following the experiment, the five pioneer companies have now multiplied till there are now fifteen plants operating on the west coast of Vancouver Island, with an investment of approximately $2,000,000.

Prior to 1925 the government would not permit the use of these myriads of fish for any other purpose than for food. Some little canning was done, but the fish were found to be too oily for the palate of the average consumer. When, in 1925, permission was granted for their use in reduction plants, rapid development followed, and to-day the west coast of Vancouver Island has become the centre of interest in the fish meal and oil industry of the world.

The new industry is already contributing appreciably to the industrial life of the province, while on the west coast of Vancouver Island itself, the numerous plants with the resultant better freight and communication service have turned the heretofore neglected bays and inlets into valuable assets. The oil is used in the making of soaps and perfumes; enters into the manufacture of varnishes and paints, taking the place of linseed oil; is a constituent of many medicines; is used in tanning, and is even used in the making of margarine.

The other products of the industry, both fish and fertilizer, find favor in the markets of the world.

F. M. Black & Co.
Financial Agents
805 Electric Railway Chambers
WINNIPEG, MAN.

B. H. PORTEOUS
& Company
Stock and Bond Brokers
Members
Montreal Stock Exchange
17 St. John Street
Montreal, Que.

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL
AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office: Winnipeg
Branches: Saskatoon and Calgary

Canadian Appraisal Company, Ltd.
The Pioneer Appraisal Organization of Canada
Established 1905
DURING the past twenty years we have appraised some FIVE THOUSAND properties, all within the Dominion of Canada and comprising the most representative industrial plants in every line of industry.
Correspondence Invited
Head Office - 364 University St. - Montreal
Royal Bank Building
TORONTO
NEW YORK
Equitable Building

NEWBOLD C. JONES
FREDERICK NEWTON
BRIAN HEWARD
JOHN D. MACPHERSON
JONES, NEWTON & HEWARD
MEMBERS MONTREAL STOCK EXCHANGE
105-106 TRANSPORTATION BUILDING
TELEPHONE MAIN 2411*.

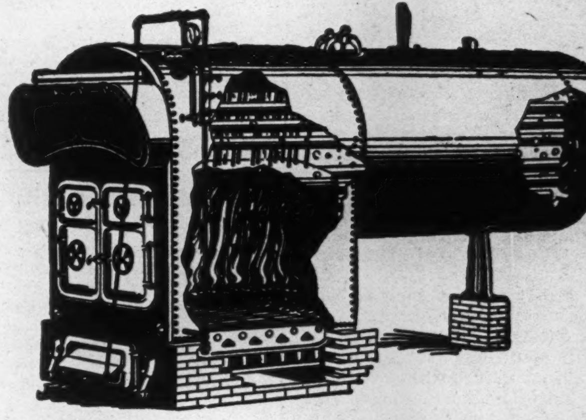
Lehigh Valley Service

SESQUI-CENTENNIAL
PHILADELPHIA
Special Low Fare
$28.00 —Round Trip—
CHILDREN HALF-FARE
GOING
Leave Toronto 7.05 P.M. daily via C. N. Rys.
Arrive Philadelphia 9.25 A.M. daily (Reading Terminal)
RETURNING
Within ten days of going trip
Via Canadian National Lehigh Valley Route
Tickets, reservations, and information at City Ticket Office, Canadian National Railways, or Lehigh Valley Office, 13 King Street, West, Toronto. Phone Elgin 2214.
Direct Route To Niagara Falls
Lehigh Valley Railroad
The Route of The Black Diamond

Privacy
YOU are assured of privacy when your VALUABLES are placed in a SAFETY DEPOSIT BOX at one of our branches.
The rates are low.
THE CANADIAN BANK OF COMMERCE
Capital Paid Up $20,000,000
Reserve Fund $20,000,000

GLASS of all descriptions
All kinds of flat glass available
For immediate delivery and in large quantities.
Case goods, fancy glass, wire inlaid, leaded, plain, striped or prismatic, colored, church glass, etc.
Also sole manufacturers
NON-SHATTERABLE PERFECT VISION BULLET PROOF GLASS
PERFECTION GLASS COMPANY
201 Inspector St. LIMITED MONTREAL

THE ANNUAL FINANCIAL REVIEW
W. R. HOUSTON Editor
1926 EDITION
The Annual contains the latest available statements of all companies listed on the Montreal and Toronto Stock Exchanges together with complete history of companies, comparative statement of earnings, record of dividends, high and low selling price of stocks by months for past years, and a mass of other facts of importance to financial institutions and the investing public.
Price $10.00 per copy
HOUSTON'S STANDARD PUBLICATIONS
Toronto Stock Exchange Building
234 BAY STREET TORONTO,2, ONT.



A Portable Firebox "Inglis" Heating Boiler, "Inglis" Heating Boilers (portable and brickset) are built in all sizes, large and small. Specifications gladly supplied on request.
BUILT TO STAND THE TEST OF TIME
Dependability—under all conditions—the finest of materials and workmanship—rugged simplicity and low maintenance cost, has been built into every boiler or pump made by the John Inglis Company, Limited, since its inauguration, 60 years ago.
Ample evidence that this high standard has always been maintained is shown by the fact that Inglis installations have been giving, and are still giving, years of satisfactory service in every corner of the Dominion.
Use our consulting Bureau. There is no obligation whatever for advice given on your engineering problems.
The John Inglis COMPANY LIMITED
14 STRACHAN AVENUE, TORONTO, ONT.
405 POWER BUILDING, MONTREAL, P.Q.

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
Foreign Issues quoted

DOMINION SECURITIES
CORPORATION LIMITED
MONTREAL OFFICE
189 St. James Street
Established 1901
E. R. WOOD, President
LONDON, ENG., OFFICE
No. 6 Austin Friars
Head Office: 26 King Street East
TORONTO 2

Securities Markets

PAPERS; UTILITY STOCKS ADD MUCH TO MARKET MOVE

Investors Look for Melons to Keep Things on Up-grade

MARKET INDICATOR

20 Industrial Stocks		
Week of Sept. 1	102.0	98.4
Week of Aug. 25	100.0	96.0
Month of Sept. 1925	82.8	76.9
9 Bank Stocks		
Week of Sept. 1	$224	$223
Week of Aug. 25	224	222
Month of Sept. 1925	215	211
10 Public Utilities		
Week of Sept. 1	97	95
Week of Aug. 25	95	94
Month of Sept. 1925	92	88

Canadian stock markets continue to indicate much buoyancy, both reflecting and forecasting better business in Canada.

Average prices of representative groups of stocks show substantial advances. Volume of trading is well maintained. The market has broadened to include many formerly inactive issues.

Many of the better groups of stocks have attained an entirely new basis of yields, investors are apparently satisfied with less return if given some promise of better conditions. The low price stocks are almost a thing of the past. There are few "neglected" issues on the board; neglected and spurned as were Brazilian, Smelters or Wayagamack, a scant few years ago, the ugly ducklings have become swans; Cinderella is betrothed to the fairy prince of public popularity.

Paper Stocks Active Again

Trading in the paper stocks came back this week, lead by Abitibi and its merger talk; Laurentide and its possible inclusion in the St. Maurice group and Spanish River, which helped things by a remarkably fine statement.

The steel stocks were not very active and, while firm, not aggressive. Equipment issues have to some extent discounted better business but they are likely to engage market attention again soon.

The milling issues lie almost dormant, a big crop promising well, but export problems making investors hesitant. Other foodstuff issues are firm.

Public utility stocks include some shining lights that are engaging investment interest, notably Shawinigan, which continues its remarkable advance; Montreal Power, which has definitely launched its customer ownership campaign, and Brazilian, which has suffered the reaction naturally consequent upon its rapid rise.

Textiles continue only mildly active while the general industrial list, while spotty, has a note of underlying strength.

Undoubtedly, market hopes rest upon certain increased dividends, stock split-ups and other gladdening signs. Given these, there seems no reason why it should not carry on as it has.

	Gains	Losses	Unch.	Ttl.
Banks	4	2	3	9
Paper	6	4	4	14
Steel	8	5	17	30
Foodstuffs	13	10	17	40
Utilities	14	4	9	27
Tractions	8	1	6	15
Industrials	16	10	19	45
Totals	72	38	84	194

Ford of Canada Increases Production by 3,000 Cars

Bryce R. Muir, of the Ford Motor Company of Canada, stated in Toronto that the company had produced, so far this year, nearly 3,000 more care than they had produced during all the last year.

Conditions were pretty healthy in Canada right now, said Wallace R. Campbell, vice-president and general manager. People were spending money freely and just now the "hand of God" was favoring Canada, as evidenced by the good crops in the West during the last two years, followed by a bountiful crop this year.

Steel of Canada Common At 6.45% Well Regarded

Steel Company of Canada common after a new high mark of 109 during the middle of last month, is holding up well. The company is strengthening its position every day. A very conservative management, combined with a good diversification of products has enabled the company to take full advantage of the increasing demand for automobile and farm implement parts. So far, the outlook for the year's business is extremely gratifying and promises not only to exceed last year's high mark, but to set a new record for post-war business. Its strength is due very largely to steady accumulations that have been made over a long period and which have greatly increased the shareholders' equity. The present yield on common is 6.45 per cent. and in view of present conditions it seems probable that the stock has not yet discounted its full possibilities.

C.P.R. Earnings Still Moving Upwards

From Our Own Correspondent.

MONTREAL.—Both the gross and net profits of the Canadian Pacific Railway still continue to keep up their encouraging increases over the corresponding periods of last year; in July, the earnings constitute the best net showing in ten years, and the second largest July gross in the company's history. The earnings during the first seven months of the current year are also satisfactory. The gross is large and the net for the seven months' period is the best that has been experienced in the past nine years.

Greater Activity Now In Industrial Alcohol

From Our Own Correspondent.

MONTREAL. — Should the current rumors about the earnings of the Canadian Industrial Alcohol Co. be justified, the prevailing talk about increased disbursements to the shareholders can not be said to be premature. However, the company's fiscal year ends September 30, and with the presentation of the annual report this autumn, the shareholders will learn exactly what has been achieved during the year. The forthcoming report, it is understood, prove to be a very healthy exhibit.

The general expectation of a betterment in the earnings during the past year has been reflected in a greater market activity in the shares.

"CAR" EARNINGS BETTER

MONTREAL.—The earlier portion of the present fiscal year of the Canadian Car and Foundry Co. was marked by but little activity; since the spring the volume of business has increased and earnings at the end of the fiscal year, which ends September 30, will probably show a considerable improvement over those of the preceding year. However, they will certainly not be on anything like the scale experienced two years ago. The net profits in 1925 amounted to only $256,389, whereas those of the previous year totalled $1,928,312.

Not a Mere Translation
but a real adaptation to the mind of your prospective customers in Quebec.
EXPERT TRANSLATION BUREAU
2991 East St. Catherine St., Montreal

Capital: $1,000,000
Reserve: 350,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE
EASTERN TRUST
COMPANY
Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL—138 St. James St.
23

No Compromise in Security Values
DEMAND STERLING REPORTS
CERTIFIED REGISTERED PROFESSIONAL ENGINEERS
Sterling Appraisal Company Limited
9-11 E. Wellington St. Toronto

EXPECTS NATIONAL CASH WILL CONTINUE TO BE BIG EARNER

New York Size Up of Stock Slump Has Optimistic Slant

In reply to an inquiry from a Canadian investor, wondering why National Cash Registers stocks have failed to hold their own since being issued, a New York investment service is quite optimistic. Its summary of the National Cash situation is:

"It hardly seems possible that a new issue of stock or bonds in any large volume can be offered and sold immediately to investors. On a new issue, applications from individual investors, institutions and dealers, generally combine to take up a large part, if not all, of the offering; part of it may be taken up by members of the offering group for future retailing to investors. But to reach a sufficient number of investors in part of one day, and sell to them 'for keeps' a major issue of securities, seems impossible. Undoubtedly a substantial proportion of the National Cash Register issue was taken by security dealers in the expectation that they would in due time be able to dispose of them to those who would hold them.

"Retailing of an issue among those who buy for investment is usually a long-drawn-out process. There are always some buyers who take the new security in the hope of obtaining an early profit by marketing them when, and if, the security rises in the market. Liquidation of such holdings, unless there is an unusual demand for the issue, is calculated to set the price back to its original figure, or, perhaps, even lower. In some cases speculative buyers find that the new security does not rise in the market as they had expected and decide to dispose of it, which, of course, has its reaction on the market level.

"National Cash Register Co. in the second quarter of this year earned $1.78 a share on the Class A stock, or $1.30 on the combined Class A and B shares. For the six months there was shown $2.88 on the Class A shares alone, or $2.11 a share on the combined A and B shares. Dividends of 75 cents quarterly are being paid on the Class A stock, and this was covered with a substantial margin to spare in the first half of the year. At current prices for the Class A common, investors are receiving a return of about 7⅛ per cent. on their money.

"In the past the company has been a big earner, and it would seem reasonable to believe that it should continue to do well. With settlement of the litigation with the Remington Cash Register Co. in favor of the latter, more competition is likely for the National Company, but there are few businesses in this country which cannot support two concerns in a field. A big foreign business is done by the National Company, and our understanding is that the decrease in business in the first half of the year, as compared with last year, was due to a falling off in business in Germany."

Imperial Oil Spends $500,000 On New Regina Refinery

New equipment and construction work, involving an expenditure of around $500,000, will be undertaken at the Regina refinery of the Imperial Oil Co., Ltd., according to an announcement made by George Leach, superintendent for the company.

The major development will be the construction of a new cracking plant to handle crude oil from Montana. The present plant has handled this type of oil almost exclusively from Wyoming fields. The cracking equipment to be installed at Regina, will be similar in operation to that at Calgary.

At the present time some 250 men are working on the foundation, etc., and when the new machinery arrives this force will be increased to 300. It is hoped to have the new facilities operating at the first of the new year.

Iron and Steel

BESCO TANGLE CAN UNRAVEL BUT SLOWLY

Not Known if Nova Scotia Steel Interest Will be Met— Committee Formed

From Our Own Correspondent.

MONTREAL.—Things are moving but slowly in the Besco tangle. In the meantime, the first mortgage bondholders of the Nova Scotia Steel and Coal Company have formed a protective committee, but this committee must remain inactive until the bonds have been in default for 90 days. Whether or not Besco will meet the defaulted interest before the end of the 90-day period, has not been definitely decided yet. The dissolution of parliament is unfortunate, for it retards still longer the payment of a portion of the German reparation claim of the Nova Scotia Steel and Coal Company.

There seems to have been not much further headway made with the Besco reorganization plans; this is obvious, for nothing can be accomplished until the various protective committees become active and are ready to negotiate with the parent company. Some investors feel that, perhaps the Dominion Iron and Steel Company could be re-organized and operate as a separate entity, but there seems little doubt that, if the holders of the Dominion Iron and Steel Company's securities upon which interest has been defaulted can arrive at some compromise with Besco, the association with the parent company and, through it, with the Dominion Coal Company, should, in the long run, benefit the bondholders and the preferred shareholders, more than by operating alone.

Besco is at present engaged in rolling rails for the Canadian Pacific Railway, and it has been thought that this was the first order which the corporation received from the C.P.R.; but such is not the case, for Besco rolled rails for the C.P.R. last year.

The company is filling a larger volume of steel orders at present, but its margin of profit is possibly narrower than heretofore; some lines, in fact, have been sold at below cost.

Massey-Harris Common Again in Stock Limelight

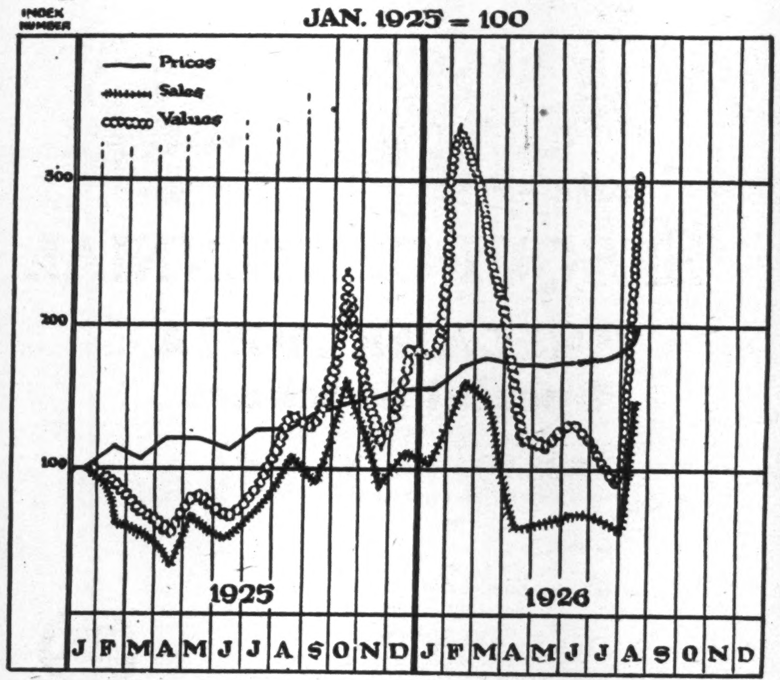
Interest is again centring on Massey-Harris common which reached a new high of 65½ recently. In view of the fact that the financial year closes in November, and that there seems to be reasonable assurance that a dividend payment will be considered at that time, it is interesting to review the record of the stock since its appearance on the exchange last March. Starting at 40, the new stock was very favorably received, and within four days it jumped no less than 20 points. Within the next two months the stock reacted gradually from its high level so that at the beginning of May the low point of 45 was reached. During May there was a climb of six or seven points, the stock remaining fairly steady from then until the middle of July, which brought the present upward trend. At the present time the stock is quoted around 64, which indicates clearly the firm hope of an early dividend. Last spring when the split took place, Thomas Bradshaw, general manager of the company, explained that it was the intention of the company to give the shareholders a stock holding on which dividends could be paid in a reasonable short time.

At the present moment the business of the company along with other manufacturers of similar machines is considerably increased, due to improved conditions both at home and abroad. Sales for the year are far ahead of the corresponding month last year.

Canadian Locomotive Running

Work on a locomotive order for the Canadian Pacific Railway is progressing rapidly at the Canadian Locomotive Co.'s plant at Kingston. Three of the engines have been completed.

Stock Prices and Trading Volume Both Show Strong Advances



Prices, Sales and Total Value of 25 Leading Canadian Stocks

The cash value of transactions on Montreal and Toronto stock exchanges shows the extent of public participation in the recent strong movement in stocks.

The index number of 25 active public utility and industrial stocks shows a new high point reached for the past two years. Volume of trading has recently taken a good jump as well.

In the chart, the black line indicates the index number of common stock prices in Canada. The sales are shown by the cross-hatched line, while the line of circles is a combination of the two, representing the cash value of the securities sold.

The weighted index number of the 25 best selling industrial and public utility common stocks on the Montreal and Toronto Exchanges, computed by the Dominion Bureau of Statistics, rose 7.2 points last week, being 206.4 as compared with 199.2 for the week ending August 21st.

The weighted index number of the volume of stocks traded rose from 153.4 to 161.1 and that for the total value of stocks traded from 305.6 to 332.5.

St. Lawrence Paper
Mills Limited
6½% 10 Year Debentures
1. Low cost producer.
2. Assets over $256 for each $100 debenture.
3. Earnings from 150 tons capacity—4.6 times Debenture Interest requirements.
4. Earnings from increased capacity conservatively estimated at $2,000,000—12 times Debenture Interest requirements.
5. Warrants attached to each thousand dollar bond entitling the holder to purchase 3 shares common stock at 50 up to August, 1928.
Write for full particulars
NESBITT, THOMSON
and Company, Limited
Royal Bank Building, TORONTO 2
Montreal Quebec Hamilton London, Ont. Winnipeg

How Big Are the Public Men of Canada To-day?

Saint John (N.B.) Telegraph Journal.

What will this general election mean for the great mass of Canadians? A writer in The Financial Post tells us that Canada, as it approaches its Diamond Jubilee as a Dominion, is confronted with "much dissention, dissatisfaction and disunion in its national life," and that "it is re-living, in smaller degree, its experiences of the few years prior to Confederation."

It has been said of Great Britain that every national emergency produces a man, or men, fitted to cope successfully with it. Will the coming election produce the sort of House of Commons and the calibre of leadership demanded by Canadian conditions to-day? Or will the result actually amount to a mere party success?

Questions such as these are necessarily suggested by the Post's comparison between the Dominion of 1926 and the conditions existing in the old province during the ten years prior to 1867. From 1857 down to Confederation there were sectional jealousies, transportation problems, due largely to geography, and disputes between the provinces. The United States, determined to build up commercial supremacy of its own, imposed heavier duties against Canadian products, with the result that the Canadian of that day experienced a depression in trade, the Maritime Provinces being particularly affected, and many of our native sons seeking work in the big Republic made that country their home. The people of the Atlantic Division were led to consider, through the pressure of events, whether they should set up some form of Maritime union, join old Canada, or throw in their lot with the United States. There were a few, of course, who openly advocated annexation, and still more who discussed it privately. But these, after all, were but a small minority; the great mass of the people held their British citizenship above everything else, and in the end, though doubtfully enough, they became partners in the Canadian Confederation. They are still waiting for the full dividends which should flow from that partnership.

The Post asserts that the solution of Canada's problems sixty years ago "was found in a broader type of statesmanship than had previously been seen," and that "men of the most pronounced views modified their ideas for the general good." Cartier, who had stood for French-Canadian cohesion and independence, joined George Brown, described by the Post as "the most aggressive enemy of French-Canadian ideas in Canada" at that time, and "forced Confederation." These men, in the view of the Post, knew Confederation to be necessary, though "they must have known that a popular vote on the question might actually have shown a majority of the people unready for it." "Cartier, Brown," Macdonald appears to have been omitted inadvertently—"Tilley, Tupper and their co-workers were thoroughbreds among statesmen, and that is why Canada is Canada today."

And what of Canada to-morrow? "Surely," exclaims the Post, "Canada is not lacking in the ability to breed statesment of equal calibre to solve the problems of sixty years after. Surely we have leaders to enforce upon our sluggish minds the second Confederation that is needed; a union of Canadian thought to make more effective the union of Canadian peoples that the leaders of '67 gave us."

There should, at all events, be no occasion to despair over the future of Canada; yet we must not ignore the fact that a great many people are wondering whether or not the new House of Commons will contain the robust and broad national sentiment and the leadership necessary to grapple successfully with the problems of the hour, and to do so without delay.

The people of the nine provinces have faith in themselves and in the Dominion, and above all, in the Empire. Fundamentally they are neither selfish nor sluggish of mind. They would refuse to believe that any of the difficulties of to-day are likely to prove insuperable, not to say fatal. Certainly they are ready to respond to real leadership. Let us hope the next House of Commons, the next government, will produce it. It must be the kind of leadership that looks far beyond mere partizan advantage or political opportunism.

This land of ours is a great storehouse of faith, courage and opportunity. Its people are ready for a rapid march forward, for greater national unity, for a larger measure of material prosperity and for a deeper idealism.

What does the general election hold in store for them?

TORONTO RAILWAY STUBS IN AIR

Toronto Railway stubs still have an unknown value, after five years. Shareholders have had $114 per share and may get $2 to $3 more. Stubs are selling at $1.55.

One item of interest, amounting to $55,000 is still in dispute as well as the company's claim against the Queen Victoria Niagara Falls Park Commission.

Besco May Get Another Order

Work has commenced at the Sydney rail mill of the British Empire Steel Corporation on the 25,000 ton rail order for the Canadian Pacific Railway. About 100 additional men have been given work, and the rest of the staff is assured of steadier employment. Reports of another order being imminent are heard.

Spillers' new flour mill in Calgary which will have a daily output capacity of 2,000 barrels at the start, is rapidly nearing completion. It is expected that the installation of the grain handling and other mill machinery will be completed in October.

The first automatic or "remote" control power plant on the North American continent is to be built at the Stave Lake side of the tunnel connecting that body of water with Alouette Lake. The contract has been let by the British Columbia Electric Railway to a Vancouver construction company at a price of $500,000. The total cost of constructing a dam across the Alouette River, building a tunnel connecting the lake with Slave Lake and erecting a new power house, will be approximately $2,800,006.

Railway Earnings

CANADIAN PACIFIC RAILWAY

July	1926	1925	Inc.
Gross	$16,598,421	$15,188,048	$ 1,410,372
Wk. exp.	12,677,285	11,799,172	878,112
Net prof.	$ 3,921,135	$ 3,388,875	$ 532,266
Seven Months:			
Gross	$101,826,207	$90,343,867	$11,482,339
Wk. exp.	83,948,384	79,157,346	4,791,037
Net prof.	$17,877,823	$11,186,521	$ 6,691,301

CANADIAN NATIONAL RAILWAYS

July	1926	1925	Inc.
Gross	$22,527,786	$20,370,614	$ 2,157,172
Expenses	19,847,448	18,445,673	1,401,775
Net	$ 2,680,337	$1,924,940	$ 755,396
Seven Months—			
Gross	143,516,794	125,914,357	17,602,437
Expenses	125,979,796	120,247,070	5,732,725
Net	$17,536,997	$5,667,286	$11,869,711

Canadian National

Week end:	1926	1925	Change
August 21	$5,131,703	$4,758,529	+$373,174

Textiles

IMPROVED TRADE SEEN IN CANADIAN WOOLLENS' REPORT

Liquid Position Strengthens —Earnings Move Up But Are Still Unsatisfactory

From Our Own Correspondent.

MONTREAL.—Some improvement, both in earning power and in liquid position is evidenced in the annual report of the Canadian Woollens for the year ending June 30 last. In his report to the shareholders, A. O. Dawson, the president, comments on the results obtained and deals with the sale of a portion of the company's fixed assets; he states in part:

"There can be little hope of improvement in the Woollen business so long as the British Preference continues at the present extreme figure, and while countries having greatly depreciated currencies are allowed to flood the Canadian market with goods made under working conditions that would not be tolerated in this country.

"Because of the existing situation every avenue has been explored in an effort to reduce the cost of production to the minimum, and to save interest charges.

"The efforts of your directors to dispose of the Standard Mill in Toronto have at last been successful. Owing to the lack of demand for large manufacturing premises, the property had of necessity to be sold at a sacrifice, but as the carrying charges were heavy it was deemed wise to accept the opportunity of turning a liability into an asset. The loss thus occasioned has been deducted from the profits of the year, leaving but $23,113 to be appropriated for depreciation of plant and equipment."

The Figures Compared

The following figures revail the bettered liquid position and the trend of the earnings over the last three years:

	1925-26	1924-25	1923-24
Op. profit	$121,837	$ 75,172	$133,552
Other inc.	1,206	1,955	754
Total	123,043	77,127	134,306
Disposition:			
Interest	13,284	17,382	22,535
St'ck redemption	22,733	4,459	.....
Bad debts res...	......	9,196	.....
Loss on sale of cap. assets	63,913	......	74,218
Depreciation	23,113	46,090	47,553
Total	123,043	77,127	134,306
Working Capital			
	1926	1925	1924
Curr. assets	$1,014,186	$994,011	$1,056,782
Curr. liabs.	237,406	390,125	456,485
Net work cap...	776,780	603,886	600,297

Changes in the balance sheet during the year include increases in the cash on hand, accounts receivable, bills payable and investments. Inventories and the bank loan show material reductions and the amount of preferred stock outstanding has also been lowered through the operations of the sinking fund applicable to that class of the capital stock. The sale of the Standard mill is naturally reflected in a reduced plant account and reserves have been increased by some $46,000.

1926 WHEAT CROP OF WEST WILL CREATE SPENDING POWER

(Continued from page 1)

is the later and there has been a marked recovery as the result of general rains in the Southern part of Alberta and sections of Southern Saskatchewan where for a time it was feared that the crop would be almost a total loss as the result of drought. Weather conditions now are generally favorable after a period of rain which interfered with harvesting in some sections. There has been little damage from frost and this menace is not seriously feared now. Rust has done slight damage in localities, but nothing very serious in general effect. If the weather conditions continue favorable there should be a continued rising tendency in the estimates of the total crop.

Would Mean $450,000,000

The best information I have been able to obtain here puts a conservative estimate on the total harvest of 360,000,000 bushels, with rising rather than declining emphasis. Such a yield at an average price of $1.25 a bushel would give a total of $450,000,000; and of this there should be a satisfactory margin of profit despite the fact that the savings being effected by the farmers in their costs of production may be largely lost this year because of the rising wages of harvest labor as the result of the disappointing response to the call for outside workers. It is estimated that the average cost of raising wheat to the farmer is now between 70 and 80 cents a bushel, including cost of transportation to market. This leaves a very substantial net income apart from the increasing revenues from other sources, accruing as the principles of mixed farming are more and more generally adopted throughout the country.

Worried Over Help Situation

The harvest help situation is causing not a little apprehension and wages are already mounting. The chief factor in the shortage has been the failure of Ontario and other Eastern provinces to send their usual quotas. For this there are two reasons —the first is the increase in industrial activities which has resulted in a higher ratio of employment and the second is the unusually late harvest which has delayed the seasonal release of the farm workers in the East. It is anticipated that, more perhaps than anything else, this labor shortage will encourage the wider adoption of mixed farming methods, so that the farmers will be able to take care of experienced workers all the year round, rather than be dependent upon the uncertain supply of expensive, inexperienced hands at the harvest season. To this same end the provincial governments have been considering the development of industries to provide employment for surplus farm labor during the winter. The carrying on of road and other public work so far as possible when farm activities are slack is being studied by public officials to the same end.

BUILDING AND LOAN SUGGESTED IN B.C.

American Association Discusses With Provincial Government Needed Legislation

Possibility of establishing building and loan associations in Canada, as now in the United States, is suggested by a move on the Pacific Coast.

A building and loan association from the State of Utah has established a branch office in Vancouver. The office has been licensed as an extra-provincial company. It is loaning money on first mortgage in British Columbia and is offering its redeemable share certificates for sale. It is not taking money on deposit.

The company is the Intermountain Building and Loan Association of Salt Lake City. Gross, Holland & Co., of Vancouver, solicitors for the company, stated to The Financial Post, when replying to an inquiry, concerning its operations in Canada.

"Our firm have made a very careful study of the building and loan theory and of the various laws in the states of the union to the south of us and have come to the conclusion that this type of organization can fill a very great need in Canada but that proper legislation should be enacted along American lines to safeguard all parties concerned. The Intermountain Co., as a matter of fact, have instructed us to discuss with the government of the province the advisability of such legislation."

Commercial Finance Corp. Finds Bigger Offices Needed

Commercial Finance Corp., whose business to date is just three times that for the corresponding period of last year, has been forced to move from its present Toronto headquarters in the Sterling Trust Building to the top floor of the Canada Trust Building, where it will have increased floor space. This company controls the Globe Indemnity at Buffalo and plans to expand to various other cities in Canada in the near future.

Stock Market Record

WEEK ENDING AUGUST 31

	Div. Rate	Yield Aug. 30	High for wk.	Low for wk.	Close Aug. 31	Close Aug. 24	Sales for wk.	Range, 1926 High	Range, 1926 Low
Commerce	12+1	5.82	223	221	222	221	40	226	214
Dominion	12+1	6.24	208	207	208	207	93	219	207
Can. Nationale	10	6.30	158½	157½	158	157½	32	170	157
Imperial	12+1	6.33	205	204	205	205	88	215½	200
Montreal	12+2	5.26	267	266	266½	267½	123	272	251½
Nova Scotia	16	5.46	295	292½	295	293	169	300	281
Royal	12+2	5.60	251	250	250	250½	109	255⅛	248
Standard	12	6.28	..	...	...	...	...	200	190
Toronto	12	5.52	..	...	...	...	...	222	213
Banks—									
Abitibi com. (no par)	4	4.39	91½	86¾	91	88	12046	91½	70¼
Do. pref.	7	6.42	..	...	...	...	...	116	106¾
Belgo-Can. pref.	.	6.96	101	100	100¾	100	212	101	95¾
Brompton (no par)	.	....	34	32¾	33	34½	1953	35¼	26
Laurentide	6	5.82	103	100	101¾	104	15726	108½	81½
Price Bros. com.	2	2.66	76¾	70	76	71	2355	76¾	57
Do. pref.	6½	6.46	100½	99½	100½	100½	168	100½	95
Prov. Paper, com.	6+1	6.54	107	107	107	105	5	107	100
Do. pref.	7	6.60	..	...	...	...	...	106½	100
Smith, Howard, com.	.	....	55	53½	55	55½	280	58¾	38
Do. pref.	8	7.96	100⅞	100½	100½	100½	150	101	92¾
Span. River, com.	7	6.34	111	104½	108½	106¾	10685	111	96½
Do. pref.	7	5.93	118	116	118	117	610	119	108
Wayagamack	.	....	95	92	94	95	815	99	56
Paper—									
B. E. Steel, com.	.	....	..	...	...	...	...	3½	¼
Do. 1st pref.	.	....	11	11	11	10	25	30	9
Do. 2nd pref.	.	....	2	2	2	1½	240	10¾	1
Can. Car & Found. com.	.	....	39½	38	39½	40	70	49	33
Do. pref.	7	8.43	83	81½	83	81½	455	85¾	73
Can. Fairbanks, pref.	.	....	..	...	...	...	...	60	60
C. G. E. com. (par $50)	.	....	..	...	...	...	...	51	47
Do. pref. (par $50)	7	6.36	55½	55	55	55½	26	60	48
Can. Locomotive, com.	.	....	40	40	40	40	2	42	35
Do. pref.	7	8.53	82	80	82	80	50	89½	73
Canada Iron, com.	.	....	..	...	...	...	...	10	9
Do. pref.	.	....	..	...	...	...	...	42	39
Can. Forgings, pref.	.	....	50	50	50	50	10	50	41½
Dominion Coal	.	....	52	52	52	51¾	75	52	40
Dominion Iron, pref.	.	....	50	...	...	...	...	24¾	5
Dominion Bridge	4	3.89	103½	102	103½	103¾	360	104½	86
Dom. Radiator, pref.	7	6.93	..	...	...	...	...	103½	100¼
Dom. Steel Corp. pref.	.	....	..	...	...	...	...	25	10⅝
Ford Motor	10	....	..	...	...	...	...	622	500
McKim. Ind. c. (no par)	.	....	25	25	25	25½	45	26½	15
Do. pref.	7	7.77	90	89½	90	90	45	92	87
Massey-Harris, com.	.	....	64⅝	62⅝	64	64	434	65½	40
Do. pref.	7	7.21	97	96	97	96	381	97	93
N. S. Steel, pref.	.	....	..	...	...	...	...	25	25
Ontario Steel, com.	4+1	6.66	75	75	75	75	50	76	60
Do. pref.	7	7.00	..	...	...	...	...	102	98
Russell Motor, com.	3	7.81	..	...	...	...	...	42	39
Do. pref.	7	7.77	92	92	92	90	25	92	76
Sawyer-Massey, pref.	.	....	..	...	...	...	...	13	5
Steel of Canada, com.	7	6.45	109	108	109	107½	578	109	95⅛
Do. pref.	7	5.78	122	121	121	122	45	123	114
Milling and Foodstuffs—									
Arnolds, com. (no par)	.	....	21	19¾	20	22	75	26⅝	18
Do. pref.	7	7.77	..	...	...	...	...	92	89½
Atlantic Sugar, com.	.	....	26½	23	26	23¼	2651	33⅞	21½
Do. pref.	.	....	80	79¾	80	80	605	88	75
B. C. Fishing	5	6.75	74	72¾	72¾	74½	470	78	57¼
Can. Bread com. (no par)	$2.50	6.09	82	81½	82	81⅞	115	82	53
Do. pref. (A)	7	6.36	110	108	110	108	181	110	105
Do. pref. (B)	7	6.79	103	102½	103	102½	105	103	96¼
Can. Canners, com.	.	....	13½	13	13½	13	58	15	12
Do. pref.	4	5.88	68	67½	68	68½	545	70	60
Canadian Salt	8	6.38	125¼	125¼	125¼	134	10	145	124
Christie Bis. c. (no par)	.	....	..	...	...	...	...	63½	44¼
Can. Bak. c. (no par)	.	....	34	34	34	34	39	37¾	26½
Do. pref.	7	7.40	94½	94	94½	95	50	98½	92⅛
City Dairy, com. (par $25)	12	4.01	75	74	74⅛	74⅞	146	81	64¼
Do. pref.	7	6.36	110	110	110	110	5	112	107
Cuban Can. Sugar, com.	.	....	3	3	3	3	55	5	3
Do. pref.	.	....	..	...	...	...	...	28	21½
Dom. Stoves, c. (no par)	2.40	3.81	63	62	62¾	63½	140	68	56
Do. pref.	8	6.89	..	...	...	...	...	116	106
Wm. Davies (A) (no par)	.	....	31	30½	31	30¾	99	37½	29
Inter. Milling, pref.	7	7.07	99	98½	99	99⅞	99	105¼	98½
Lake of Woods, com.	12	7.69	156	156	156	155	25	175	139
Do. pref.	7	5.93	118	118	118	118	5	118	115
Loblaw, com.	$1.00	....	31	31	31	30	32	31	29¾
Loblaw, pref.	7	6.86	..	...	...	...	...	102	100½
Maple Leaf, Mill, com.	.	....	59	59	59	60	25	88	50⅛
Do. pref.	7	7.36	98	95	98	95	16	102	90
Ogilvie Flour, com.	5	2.59	195	193	195	191	140	200	165½
Do. pref.	7	5.98	..	...	...	...	...	125	117
Pure Gold Mfg. (no par)	50c.	....	19	19	19	19	95	23½	17½
Shred. W. New. c. (no par)	75c.	5.91	51	50	51	50	495	51¼	47½
St. Law. Flour, com.	.	....	35	32	35	35	65	45	28
Do. pref.	7	8.38	83½	83½	83½	83½	11	84	80
Viau Biscuits, com.	.	....	27¼	27¼	27 ¼	27¼	55	28	18
Do. pref.	7	7.95	87¼	87¼	87¼	88	25	89	85
Western Groc. c. (new)	.	....	27	24	27	24	119	27	24
Do. pref. (new)	7	....	70	70	70	70	41	70	62
Do. com. (old)	.	...	5	5	5	4	12	13¼	4
W. Can. Flour, com.	35c.	....	18½	18½	18½	18½	50	18¾	18
Utilities—									
Calgary Power	.	....	51	51	51	52½	25	52½	51
Bell Telephone	8	5.78	138½	137⅝	138½	138	204	141	136
Consumers Gas	10	5.73	175	174	175	175	15	183⅞	170
Inter. Util. (A) (no par)	87¼	....	..	...	...	...	...	38½	31¼
Con. Gas Rights	.	....	..	...	...	...	...	4.85	3.90
Cedar Rapids	3	....	..	...	...	...	...	50	40
East Koot. Power	.	....	..	...	...	...	...	32	25
Jamaica Pub. Ser. pref.	7	7.21	97	97	97	98	5	99¼	96½
Laurentide Power	5	4.54	..	...	...	...	...	110	100
Mackay, com.	7	5.18	135	134½	135	134½	30	136½	129
Do. pref.	4	5.51	72¾	71½	72 ½	72½	69	73¼	68¾
Mexican Light, com.	.	....	30	30	30	29	45	31⅞	29
Do. pref.	.	....	..	...	...	...	...	86	64
Mont. L. H. & Pr. com.	.	....	67½	64¼	65¾	64¾	429	67½	59
Do. pref.	.	....	50	49 ½	49⅞	49¾	33309	50½	48¼
Montreal Teleg. (par $40)	8	6.66	48½	48	48	48½	63	51½	48
Ottawa L. H. & Pr. com.	6	6.15	97½	97½	97½	97	5	100	92
Do. pref.	6½	6.40	101½	101½	101½	101½	7	105½	100
Quebec Power, com.	5	3.75	133¼	128½	133	128½	710	133¼	113
Do. pref.	7	6.22	112½	111	112½	111	22	116	109½
Shawinigan	8	3.61	224	215	224	217	3361	224	167½
South Can. Power, com.	2.00	2.15	98	93	93	98	91	98	81
Do. pref.	6	5.97	100½	100	100½	100	21	104½	99
Ottawa & Hull Pr. com.	.	....	..	...	...	...	...	46	25
Transportation—									
Can. Pacific Rly.	10	5.98	168½	165	168¼	166½	184	168½	147
Can. Steamships, com.	.	....	29	20	27 ¼	20	2770	29	11
Do. pref.	.	....	84½	78½	84	78	7197	84½	56
Do. voting	.	....	28¼	19½	27 ¾	19¾	2940	28¼	11
Tractions—									
Barcelona, (par $50)	.	....	40½	36¼	39⅞	36⅜	1700	40½	26
Brazilian, com.	5	4.25	119⅝	114¾	116¼	118	59360	119⅝	80
Do. pref.	6	5.66	106½	105½	106½	106	398	106½	97¼
Detroit Un. Rly.	.	....	..	...	...	...	...	3¼	1¾
Duluth-Superior	.	...	30	27	29½	27	180	33¼	25
Illinois Traction, pref.	6	....	..	...	...	...	...	96¼	96¼
Minn. St Paul	.	....	43	35½	43	..	75	43	35½
Montreal Trams.	10	5.79	..	...	...	...	...	178	159
Ottawa Traction	4+1	7.51	66½	62	66	61	330	66½	60
Porto Rico Rlys. com.	.	....	44	44	44	44	51	47	40
Do. pref.	7	7.95	..	...	...	...	...	91	85¼
Twin City. com.	5	7.09	70½	69	70¼	69	1606	79½	68¼
Do. pref.	7	6.86	..	...	...	...	...	103	102
Winnipeg Elec. com.	1	....	54½	52	54¼	54½	5603	54⅞	45¼
Do. pref.	7	7.00	100	99	99½	99	77	100½	95
General Industrials—									
Amer. Sales. c. (par $20)	4	6.25	64	63¾	64	63½	100	70	54
Do. pref.	7	7.29	97	96	97	95	25	98	92
Asbestos Corp. com. (new)	.	....	22	17½	21	18	5062	24½	16½
Do. pref. (new)	7	9.27	75½	71	73	71	1918	79¾	62
Building Products. pref.	7	7.95	88	88	88	89	7	89	83
Brant. Cord. pf. (par $25)	8	8.16	25	24⅝	24⅝	25	125	27½	24½
Burt. F. N. com.	12	5.26	58	57	57	57	281	67½	50
Canada Cement, com.	6	5.64	106¼	106	106	105¼	220	111½	98
Do. pref.	7	6.16	114	113¼	114	113¼	241	120	113
Cons. Rubber, pref.	7	8.00	..	...	...	...	...	87½	86¼
Can. Ind. Alc. (no par)	1.28	6.40	21¼	18⅜	21¼	18¼	19372	20⅝	16¼
Crow's Nest Coal	6	8.60	70	69	69	70	118	85	51
Dom. Glass, com.	7	7.36	96¼	93	95	94	823	105	85
Do. pref.	7	6.69	105	104½	104½	106	97	111	104¼
East. Theat. c. (par $25)	.	....	30	28	30	28	95	30	18¾
Do. pref.	7	7.75	93	93	93	90¼	10	93	83
Famous Players, com.	.	....	15	15	15	16	3	18½	11
Do. pref.	8	8.88	90	89	90	90	30	94¼	88
Gilman, com.	6	4.80	125¼	125	125	125	65	126	104½
Do. pref.	7	5.38	130	130	130	130	25	130	113½
Goodyear Tire, pref.	7	7.17	97½	97¼	97¼	96½	25	98½	85
Holt Renfrew, pref.	7	8.14	..	...	...	...	...	90	85½
King Ed. Hotel	.	....	31	31	31	31	4	41	25
Kelvinator, com. (no par)	.	....	15	15	15	15	10	20¼	14
Do. pref.	7	7.73	91¼	90½	91	90	25	93⅞	88
Lyall Construction	.	....	39	39	39	39	10	48	20
Nat. Brew. c. (par $25)	4	5.79	69¼	63½	67½	64	44737	69⅛	56
Do. pref.	7	6.73	104	104	104	106	25	110	104
National Brick, com.	.	....	8	8	8	8¼	25	12½	8
Do. pref.	7	11.66	..	...	...	...	...	72	60
Pacific Burt, com.	6	6.38	94	93	94	92½	59	110	90
Do. pref.	7	6.79	..	...	...	...	...	110	102
Port Hope San. com.	3	3.15	95	95	95	88	25	95	74½
Do. pref.	7	6.86	..	...	...	...	...	105	99
Rogers, Wm. com.	.	....	60½	60	60	62	95	67	45
Do. pref.	7	7.65	91½	91½	91½	92	35	97	90
Sher-Williams, com.	6	4.38	137½	137	137	137½	25	138	125
Do. pref.	7	6.08	115	115	115	115	5	115	110½
Sterling Coal	4	10.25	39	39	39	39	25	43	37
Tooke Bros. com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	62¼	61	62¼	58	210	62¼	55
Tuckett Tobacco, com.	4	6.45	62	58½	62	59	60	65	58
Do. pref.	7	6.66	105	105	105	105	25	105	100
Woods Mfg. com.	.	....	48	48	48	48	10	48	38
Do. pref.	7	8.04	87	87	87	87	15	90	77¾
Standard Chem. pref.	.	....	..	...	...	...	...	9	9
Textiles—									
Can. Conn. Cotton pref.	4	....	40	40	40	40	15	49	37
Can. Converters	7	7.65	93½	91	93½	91	220	94	90
Can. Cotton, com.	8	6.92	..	...	...	...	...	124	113
Do. pref.	6	6.38	95	93¾	94	93½	40	99½	93½
Can. Woollens, com.	.	....	..	...	...	...	...	8	4
Do. pref.	.	....	..	...	...	...	...	50	45
Dom. Textile, com.	5	4.83	96½	95½	95½	96¼	496	103½	89
Do. pref.	7	5.88	117	117	117	119	20	122	115
Monarch Knitting, pref.	.	....	..	...	...	...	...	50	45
Montreal Cottons, com.	6	5.35	..	...	...	...	...	112	102
Do. pref.	7	6.06	..	...	...	...	...	115½	110
Penmans, com.	8	4.25	..	...	...	...	...	190	173
Do. pref.	6	5.88	..	...	...	...	...	104½	101½
Wabasso Cotton	4	5.33	75	75	75	73	75	75	60
Trust and Loan—									
Central Canada	12	....	..	...	...	...	...	210	210
Can. Landed (par $50)	10+1	5.97	92	92	92	92	2	100	90
Can. Permanent	12	5.71	..	...	...	...	...	210	202¼
Colonial Invest.	6	....	..	...	...	...	...	7	4
Hamilton Prov.	10	6.36	..	...	...	...	...	157	157
Huron & Erie	7+½	5.63	133	132½	132½	132½	10	133	127½
Landed Banking	9	6.00	..	...	...	...	...	150	150
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
National Trust	12	5.83	..	...	...	...	...	245	232½
Ontario Loan (par $50)	11	5.28	..	...	...	...	...	106	103½
Real Estate Loan	7	8.23	..	...	...	...	...	85	85
Toronto Gen. Trusts	12	5.33	..	...	...	...	...	225	220
Toronto Mtge. (par $50)	10+1	5.61	..	...	...	...	...	100	93½
Union Trust	7	7.07	..	...	...	...	...	101	98

THE CURB MARKET

	Div. Rate	Yield Aug. 30	High for wk.	Low for wk.	Close Aug. 31	Close Aug. 24	Sales for wk.	Range, 1926 High	Range, 1926 Low
Andes Pete	.	....	..	...	...	...	...	6⅝	6⅝
Attendu Eng.	.	....	30	28½	29½	2 9	580	43¼	7
Beacon Oil	.	....	17⅜	17	17	18	835	19½	14¼
Belding pref.	7	8.64	81	81	81	75	25	101	75
Brit. Amer. Oil (par $25)	10	4.20	59	57½	57½	59	2004	60	47
Can. Nor. Pr. com.	.	....	..	...	...	...	...	30	28
Can. Oil, com.	1¼	....	84	84	84	80	10	84	65
Do. pref.	8	7.14	112	111⅜	112	111	49	112	100
Cockshutt pref.	.	....	68	67	68	67	28	69	57¼
Continental Oil	1.00	....	..	...	...	...	...	26	20
Do. Eng.	.	....	..	...	...	...	...	85	65
Dryden Power (no par)	.	....	8½	7	8½	7½	315	11	5½
East Engineering	.	....	..	...	...	...	...	2½	1
Eng. Elec. com. (no par)	.	....	15	15	15	15	1	24½	15
Do. pref.	.	....	73	73	73	70	7	73	59½
Good & Worts (new)	.	....	31	27¾	30⅞	29	4506	33¾	27½
Illinois Power pref.	7	7.07	99½	99	99½	99	107	99¾	96
Imperial Oil	1.00	2.70	37¾	36¼	37	36¾	2880	38½	32½
Inter. Petroleum	75c.	2.20	34⅞	33½	34¾	34⅝	1075	35½	29¼
Manitoba Power	.	....	40	40	40	41¾	10	43	24
Newsprint Co.	.	....	..	...	...	...	...	27	18
North Star Oil com. (par $5)		....	1.00	1.00	1.00	1.25	3.00	1.25	.75
Do. pref.	7	7.37	..	...	...	...	...	4.90	4.50
Nor. Mex. Pr. com.	.	....	50 ...	46	50	43½	75	55	40
N. S. Car com.	.	....	13	13	13	14	10	15	5
Page Hersey com. (new)	2.00	....	46½	45½	46½	46	49	49	43
Do. pref. (new)	$1.75	....	102	101	102	101⅞	497	104	100½
Paton Mfg. com.	.	....	54	54	54	52	55	55	50
Do. pref	.	....	..	...	...	...	...	98	75
Power Corp. (no par)	.	....	23	23	23	23½	100	28¼	22
Pressed Metals	.	....	..	...	...	...	...	40	30
St. Law. Pr. (no par)	.	....	49¼	45	45	48¾	85	50	85
St. Maurice Pr.	.	....	75	75	75	73	24	82	72½
St. Maurice Valley	.	....	64	51	60	51	1802	64	40
Simpsons pref.	6	6.00	..	...	...	...	...	102	99
Toronto R. S.	.	....	1.55	1.55	1.55	1.60	51	1.60	1.10
Un. Secs. com.	.	....	50	50	50	50	131	65	50
Do. pref.	6	5.85	102½	102	102	102	15	105	102
Volcanic Oil	.	....	..	...	...	...	...	29	26

5¼%

On Guaranteed First Mortgage Certificates

Safe beyond question and unconditionally guaranteed.

Send for descriptive circular without obligation.

THE STERLING TRUSTS CORPORATION

10-12 East King St., TORONTO
Branch:—REGINA

BELDING MAINTAINS PROFITS

MONTREAL.—It is understood that earnings of Belding-Corticelli during the current fiscal year are being maintained at the excellent record established last year, during which the company earned over 24 per cent. on its common stock. From the earnings at the close of the first nine months of the fiscal year, the results obtained during 1925 will probably be duplicated. The company's year ends November 30, and it will be cheering news to the shareholders that, while the textile industry generally has been quiet, yet this company has been able to maintain its earnings to date.

UNLISTED SECURITIES

	Bid	Asked
Can. Machinery, com.	7	9
Can. Westinghouse, com.	165	170
Cosgrave Brewery	2¾	3½
Cosmos Imp. Mills, com.	12½	14½
Dom. Power, pref.	97	99
Farmers Dairy, com.	45	..
Dunlop Tire, pref.	82	86
B. Greening Wire, pref.	91	94
Gunns, Ltd., pref.	29	31
King Edward Hotel, Deb. A.	78	81
King Edward Hotel, Deb. B.	58	61
Loew's Buffalo, pref.	50	60
Loew's London, com.	2½	3 1/10
Pure Food, com.	31½	34
Mount Royal Hotel, pref.	37	39
Nat. Grocers 1st pfd.	92	95
Nat. Grocers, com.	5	8
Willard's pref.	69	72
Capital Life 25% paid	20	25
Continental Life 20% Paid	35	..
Crown Life	122	..
Empire Life	24	..
Excelsior Life 29% Paid	57	..
Great West Life	420	..
Imperial Life	320	..
Monarch Life 10% Paid	25	..
Mortgage Discount, pref.	6.9/10	7¼
Ontario Equitable	..	25
Re-Insurance	..	25
Security Life 40% Paid	28	32
Sherbrooke Trust	110	..
Sovereign Life, 25% Paid	27	29

GYPROC
FIRE PROOF WALLBOARD

GYPROC FIREPROOF WALLBOARD

Advantages of Using GYPROC on New Construction

1 It is permanent. Weather changes will not alter it. GYPROC never shrinks, warps or cracks.

2 SAVES LABOR COST. Your carpenter can apply GYPROC very quickly. Trim can be applied at once, thus saving much valuable time.

3 CLEAN APPLICATION. Sawed and nailed like ordinary lumber. No muss or dirt to clean up.

4 DECORATE IMMEDIATELY. When the last nail is driven decorating can start. Takes paint, paper, Alabastine or Gyptex. Eliminates lath stains, cracks, etc.

5 If you build to sell you have the new selling arguments which will clinch the sale. "Fire-proof"—"Repair Proof"—"Cool in Summer"—"Warm in Winter"—"Less Coal."

Gyproc Walls Last a Lifetime

Severest tests have proved beyond question that Gyproc is 25% stronger than any other wallboard on the market.

This means, once your work is done, that you have a satisfactory wall—a wall that is good for a lifetime—a fire, cold and heat proof wall, as durable and permanent as the very rock from which Gyproc is made.

Along with this extra strength and insulating efficiency Gyproc is lighter in weight, in spite of its greater strength. Nailed direct to the studs and rafters it makes a continuous wall of rock to keep out intense cold in winter and heat in summer.

Home-builders will find there is nothing quite so satisfactory as Gyproc. If directions are followed, if joints are properly filled with Gyproc joint finisher, the walls and ceilings present a smooth, unbroken surface that will endure as long as the house itself.

"We will help you solve your decorating problems on Gyproc or any wall surface. Direct your enquiry to our Decorating Department."

THE ONTARIO GYPSUM CO., LIMITED, PARIS, ONTARIO

GYPROC
Fireproof Wallboard

Why build to burn? Gyproc does away with inflammable wood-lined walls, roofs, ceilings and partitions

PORT ALFRED PULP & PAPER CORPORATION

Newsprint and Sulphite Pulp

HEAD OFFICE:
CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

St. Maurice Valley Corporation
Successors to
Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.
St. Maurice Paper Company, Limited Three Rivers, P.Q.
Yearly Output—195,000 Tons Newsprint
Head Office:
MONTREAL-QUEBEC

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.

Quebec Pulp and Paper Mills
Limited

Executive Office: CHICOUTIMI, P.Q.
Cable Address: "SAGUENAY, CHICOUTIMI"

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

ROLLAND

Forty-four years of manufacturing experience enables us to produce papers which meet with the approval of the most exacting business man. A few of the many well-known papers manufactured include—
SUPERFINE LINEN RECORD — COLONIAL BOND — SERVICE BOND — EARNSCLIFFE LINEN BOND — EMPIRE LINEN BOND
MOUNT ROYAL BOND
THE ROLLAND PAPER CO., LIMITED
High Grade Paper Makers Since 1882
MONTREAL
Mills at St. Jerome and Mont Rolland, P.Q.

Horticultural shows are the order of the day in Alberta now. During the past week the Edmonton show was held, with 3,000 in attendance, and some of the finest displays of flowers ever seen. Camrose show, noted for being one of the best, always a big affair, is scheduled for the coming week.

Pulp and Paper

SPANISH RIVER EARNING POWER AGAIN REVEALED

Despite Cut in Newsprint Price, Earnings Show Only $100,000 Drop

Any lingering doubt as to the ability of Spanish River Pulp and Paper Mills to maintain a high level of earnings in the face of the lower price for newsprint paper must now have been effectively dispelled by the publication of the annual report. Spanish's earnings for the year to June 30, 1926, were little below the 1925 level. There was enough to pay all charges, including the dividends on both preferred and common stocks (and bonds), to set up further substantial reserves and add $550,985 to surplus account.

Spanish's surplus has been rising steadily and is now seven times what it was in 1920, as the following table shows:

Surplus—	
June 30, 1920	$1,060,798
June 30, 1921	2,349,796
June 30, 1922	2,446,892
June 30, 1923	4,485,000
June 30, 1924	6,402,853
June 30, 1925	6,458,324
June 30, 1926	7,009,309

Earnings Per Share Hold Well

Earnings of $12.15 a share on preferred and common shares for 1926 compare with $12.75 in 1925. Earnings and dividends for the past ten years compare as follows:

	% earned per share		Dividends paid %	
	Pref.	Com.	Pref.	Com.
1917	8.24	8.25	...	...
1918	7.00	2.23	...	...
1919	9.47	9.47	...	...
1920	16.07	16.07	3½*	1¾
1921	16.82	16.82	7	7
1922	10.13	10.13	7	7
1923	12.09	12.09	7	7
1924	14.33	14.33	7	7
1925	12.75	12.75	7	7
1926	12.15	12.15	7	7

*Plus 42% arrears in stock.

Preferred and common stocks share equally after 7% paid on common.

Gross Earnings Down $100,000

Gross profits for the year are only about $100,000 less than for the year ending June 30th, 1925, which, in view of the reduction in the price of newsprint for the last six months of the period, which would amount to about $500,000 on the output of the company, makes it very clear that costs of operation must have been considerably reduced. A somewhat larger amount has been reserved for depreciation, but interest on funded debt has been decreased by a like amount. The net profits for the year, therefore, after allowing for contingencies and government taxes, amount to about $100,000 less than last year.

Earnings for three years compare as follows:

	1926	1925	1924
Gross	$3,743,448	$3,851,645	$5,038,092
Depreciation	602,499	550,515	792,316
Balance	$3,140,948	$3,301,129	$4,245,712
Interest	695,046	751,558	766,052
Balance	$2,445,902	$2,549,571	$3,479,660
Taxes, etc.	250,000	265,000	360,000
Net profit	$2,195,902	$2,284,571	$3,119,660
Pfd. divs.	603,365	603,365	603,365
Balance	$1,592,537	$1,681,206	$2,516,295
Com. divs.	661,290	661,290	661,290
Balance	$931,247	$1,019,916	$1,855,005
To bondholders	140,517	140,517	140,517
Balance	$790,730	$ 879,399	$1,714,488
To dep. res.	239,744	220,563	400,000
Surplus	$550,985	$ 658,836	$1,314,488
Prev. surp.	6,458,324	5,799,487	4,485,000
P. & L. bal.	$7,009,309	$6,458,324	$5,799,487

Working Capital

The working capital position of the company for the past three years is shown in the following:

	1926	1925	1924
Curr. assets	$11,474,321	$11,903,160	$12,273,408
Curr. liab.	1,643,243	2,475,488	3,260,414
Work. cap.	9,831,078	9,427,672	9,012,994

President Geo. H. Mead's remarks to the shareholders are brief as usual. Mr. Mead points out that the balance sheet figures reflect a condition of continued progress which should prove gratifying to the shareholders considering the lower prices for the company's products which prevailed during the period.

"It will be noted that there has been a substantial reduction in the inventories with a corresponding increase in the cash position of the company.

"Your directors deem it advisable to maintain a strong cash position, thus enabling the management to continue its policy of installing from time to time improved equipment to reduce costs and maintain the company's excellent competitive capital obligations.

"The company's investments include a substantial interest in the Fort William Paper Co., Ltd., purchased some years ago. This has proven a profitable investment and valuable connection. Pursuing this policy of enlarging its interests in the development of the paper industry in Canada, the company has, after careful investigation, acquired considerable holding in the capital stock of the Manitoba Paper Co., Ltd., which will be in production before the end of 1926."

Strong Position is Shown

In the balance sheet, the situation disclosed is the strongest that even the Spanish River Company has ever presented. The investments are increased by $325,000 and this is doubtless due to the investment in the Manitoba Paper Company, referred to in the report of the board. In this connection, the president refers to the profitable investment and the valuable connection made some years ago when the company purchased a sugstantial interest in the Fort William Paper Co., Limited. The report adds that the policy of enlarging the Company's interest in the development of the paper industry in Canada, has been continued. Undoubtedly there is a fruitful field for increased profit in the purchase of stock in new pulp and paper plants, if adequate investigation precedes such investments, and the report of the Board makes it clear that such investigation has been made.

The pulpwood inventory has been reduced during the year by $2,500,000 and cash has been similarly increased. Working capital has now reached the large total of over $9,500,000, while the company has cash in hand and Dominion of Canada bonds sufficient in amount to liquidate all its current liabilities, including the dividend on its preferred and common stock declared in June and payable on the 15th of July.

WAYAGAMACK CHANGES DEED

MONTREAL.—The meeting being called of the holders of the Wayagamack Pulp and Paper Company's 6½ per cent. mortgage and collateral bonds is simply for the purpose of clearing up a technicality which exists in the trust deed covering the issue. In the deed, provision is made for any sums arising through the sale of any portion of the company's assets. As this is covered in the deed of the first mortgage 6's, it is useless to have this clause in the deed of the junior issue. Thus the meeting is being called to sanction certain alterations in the trust deed.

Kraft Paper and Pulp Exports Gain in July

From Our Own Correspondent.

MONTREAL.—The Canadian exports of pulp and paper during the month of July may be regarded as satisfactory as viewed from an investment angle. There was a large gain in the amount of mechanical pulp exported; in 1925 the figures were 27,530 tons as compared with 41,749 tons in July of this year. The exports of bleached sulphite pulp showed an increase, while the unbleached variety fell off during the month. The total of both varieties of sulphite, however, was practically unchanged. Sulphate pulp exports increased from 12,456 tons in July 1925, to 13,209 tons in July 1926, and the figures indicate that the pulp obtained a slightly higher price per ton.

Newsprint exports, of course, jumped up from 107,767 tons to nearly 151,000 tons. Exports of wrapping paper are also satisfactory, and, in value, increased from $156,370 to $231,546. While the exports of book paper declined, a more than corresponding increase is seen in the exports of writing paper to offset the decline in the other grade.

One Brompton U.S. Mill Improves Its Position

From Our Own Correspondent

MONTREAL.—The old bleaching plant at the Groveton mill of the Brompton Pulp and Paper Company is being replaced by a new plant, and, whilst profits from this mill are understood to be a little lower this year, the improved equipment which is being installed, it is thought, will provide savings in the future.

On the other hand, the company's other American mill at Claremont, N. H., has made decidedly better progress this year, and is now understood to be operating on a satisfactory basis and proving an excellent asset.

The final approval, given by the shareholders, to the Brompton plan of refinancing, means that the underwriters of the bonds will be in a position to proceed, and that the new issue will probably be placed on the market within the next two weeks.

HOWARD SMITH EARNS MORE

MONTREAL.—It is understood that the earnings of the Howard Smith Paper Mills during the first eight months of the year have maintained a satisfactory increase over the corresponding period of 1925.

The company's subsidiary, the Canadian Cellulose, is making good progress in the erection of its plant, and operations are about one month ahead of the schedule. This plant will be producing soda pulp early in 1927.

DRYDEN PAPER IMPROVED

MONTREAL.—Under careful management, the Dryden Paper Co. has been operating at a profit during the last few months and at the present time, it owes but a small amount to the receivers. With a continuation of the somewhat improved market for Dryden's output of paper and sulphate pulp, the amount owing the receiver should be paid off within the next two or three months. At the present time, the market for wrapping paper and sulphate pulp is absorbing the complete output of the company.

INTERNATIONAL AGAIN EXPANDS

MONTREAL.—The International Paper Co., in order to increase its timber holdings in New Brunswick to supply the new mill which it is to erect there, has purchased further limits, totalling about 420 square miles, from the Chaleur Bay Co., on the Sainte Anne de Restigouche River. These limits are situated near Campbellton, N.B., and the deal is said to have involved something over $1,000,000.

Canada Got 40% of Capital Sent Abroad by U.S.

The Wall Street Journal's compilations of foreign financing in the United States in the first six months of 1926 show a total of $605,288,000, consisting of $583,198,000 dollar bonds and $22,090,000 corporate stock, compared with $593,406,000, consisting of $571,956,000 bonds and $21,450,000 stock for the corresponding period of 1925.

The following table shows the various Canadian government, province, city and corporation bonds and stocks sold:

	Canada
Government	$40,000,000
Province	61,393,000
City	....
Corporation	114,085,000
Bonds	$215,478,000
Stock	22,090,000
Total	$237,568,000

Apportioning the combined bond and stock total between the geographical groups on a percentage basis gives: Canada, 39.3 per cent.; European countries, 31.8 per cent., and Latin-American division, 28.9 per cent.

SUGAR PRODUCTION OFF

MONTREAL.—The statistics of sugar manufactured in Canada for the four weeks' period ending August 14 show that the refineries produced 103,060,624 pounds, as compared with 112,807,818 pounds during the corresponding period of last year. To date this year the Canadian plants have manufactured a total of 661,536,823 pounds, as compared with 736,232,016 pounds during the same period of 1925. The exports of sugar during July dropped from 32,608,400 pounds last year to 17,148,400 pounds this year.

Abitibi Power & Paper Company
Limited
NEWSPRINT
Head Office: Montreal Mills: Iroquois Falls, Ont.

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
211 McGILL STREET
MONTREAL
Refineries - St. John, N.B.

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Wabasso Cottons
are Canada's best
Lawns, Nainsooks, Cambrics, Longcloths, Broadcloths, Shirtings, Pillow Cottons, etc.; fine coloured cottons, Corset Fabrics, Yarns, etc.; Wacosilke, a new fabric made from finest Wabasso combed yarns and Celanese Brand yarns combined.
Made-in-Canada Cotton Fabrics, the equal of the best produced anywhere in the world.
THE WABASSO COTTON COMPANY, LIMITED
Three Rivers, Que.

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.
ENGINEERS, MANUFACTURERS *and* ERECTORS *of* STEEL STRUCTURES
HEAD OFFICE AND WORKS: Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.
BRANCH OFFICE AND WORKS: Toronto, Ottawa and Winnipeg.
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Penmans
LIMITED
Manufacturers of High-Grade
Knit Underwear, Hosiery, Sweaters
MILLS AT PARIS, Ont. BRANTFORD, Ont. LONDON, Ont. WATERFORD, Ont. ALMONTE, Ont. COATICOOK, Que. and ST. HYACINTHE, Que.
General Office: Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON,
Toronto and Montreal
SELLING AGENTS TO RETAIL TRADE
Edward Burns Co., Ltd., Toronto, Ont.
B. S. MacFarlane, Montreal, Que.
John J. Wilson, St. John, N.B.
Bryce & Co., Ltd., Winnipeg & Vancouver.
EXPORT REPRESENTATIVES
J. J. Jardine, St. John's, Nfld.
H. W. Airey, Ltd., Auckland, N.Z.
L. C. Carrick, Cape Town, South Africa.
Hugh Scott-Young, Melbourne, Australia.
Liddell & Mitchell, Glasgow, Scotland.
Taylor & Shelmerdine, Manchester, England.
W. J. Cutcliffe, London, Eng.
W. E. Goodman, Manchester, England.

"Tell Me To-Day's Price of Government Bonds; I'll Tell Bank Stock Level"

Reflecting records for earnings and dividends which indicate an assured business position and sound management, the Canadian bank shares have won a position among investment securities unique for a group of common stocks. Not only are market values based upon earnings which reflect business conditions but they bear a direct relationship to the value of money in terms of dividend returns. So definite is this relationship that a financial expert recently made the remark: "Tell me the key price of the Canadian government bonds and I will tell you approximately the key price of Canadian bank stocks." This was another way of emphasizing that the margin between Canadian bank stocks and government bonds is practically stable. No better indication of the high investment standing of a group of common stocks could be given.

The strength of the bank stocks from the investment standpoint has increased in recent years as the number of banks has been reduced and mergers have brought about larger and more efficient institutions with more definitely assured earnings and a larger margin of safety to offset the double liability feature of all shares issued under the Canadian Bank Act. At the present time, with indications of a general industrial and trade revival throughout the country, and with possibilities for a considerable period of prosperity, the bank stocks would seem to have attractive investment possibilities—in fact, for some time the buying of these stocks has indicated a growing appreciation of inherent values. Prosperity means a greater field for the employment of bank funds and has a direct bearing on earnings and dividends. Study of the monthly bank returns reveals that for some years now the banks have had much greater totals of money on deposit than they have been able to profitably loan for commercial and industrial purposes. The result has been that they have made substantially greater investments in securities of various kinds. These have shown them a smaller return than would be the case of commercial loans, and earnings have been affected accordingly, for after all the business of a bank is to make loans and not investments in bonds.

Twenty-Five Years' Growth

The expansion of the business of the Canadian banks in recent years may be indicated by the fact that in 1900 savings deposits amounted to $270,000,000, while at the end of 1925 the total was $1,916,000,000. Note circulation was up from $41,000,000 to $173,000,000. During the same period commercial loans have increased from $271,000,000 to over $900,000,000, with a high record in 1920 close to $1,300,000,000. The growth of the banks is also indicated strikingly by the fact that their total increased during the quarter century from $424,000,000 to $2,896,000,000, while capital and rest accounts expanded from $94,000,000 to $241,000,000.

Peak of Profits in 1920

While the year 1925 resulted in better earning conditions, records of profits for the banks reached a peak in 1920 that has not since been approached. This was the period when commercial loans were at their highest level. Following this, for several years there were declines, with the year 1924 averaging the lowest of all. The past year regained the ground lost in regard to profits during 1924 and its ratio of net earnings to paid-up capital was practically the same as that of 1923. The percentage for the past ten years compare as follows:

1925	17.60%	1920	21.07%
1924	17.18%	1919	19.98%
1923	17.63%	1918	18.07%
1922	18.99%	1917	15.39%
1921	18.72%	1916	14.99%

In margins of earnings over dividend requirements the Bank of Toronto stands in the lead, with a surplus of 8.26 per cent.; the Dominion Bank has a surplus of 6.28 per cent., and the Royal Bank and the Bank of Nova Scotia each showed a margin of 5.38 per cent. The others grade down to a little over one per cent.

Rest Accounts Strong Feature

One of the strong points for investors in the financial structure of the Canadian chartered banks is the relation of rest or reserve account to paid-up Capital. In a large number of cases the rest is equal to the capital, and in some cases exceeds it. The Bank of Nova Scotia is the most marked instance of the latter condition with a rest of $19,500,000 compared with $10,000,000 stock; the Bank of Toronto has $7,000,000 rest as against $5,000,000 of capital, and the Dominion Bank has $7,000,000 rest compared with $6,000,000 of capital, while the Imperial has $7,500,000 of reserve compared with $7,000,000 of paid-up capital. In only two instances have the banks a rest account less than their paid-up capital.

The accompanying tables give a comparative record of profits of the various banks for the past seven years, together with a summary of stock market movements, dividends, bonuses, yields, etc. Changes in capital and surplus showing the increased investments of shareholders in their institutions since before the war are also indicated.

Investments of Bank Stockholders

	1913 Reports Capital	1913 Reports †Surplus	1925 Reports Capital	1925 Reports †Surplus
Commerce	$ 15,000,000	$ 13,884,529	$ 20,000,000	$ 21,324,574
Dominion	5,811,244	7,459,033	6,000,000	7,964,298
Can. Nationale	4,000,000	3,652,561	5,500,000	5,765,018
Imperial	7,000,000	8,265,919	7,000,000	8,598,872
Montreal	16,000,000	17,460,217	29,916,700	30,513,488
Nova Scotia	6,000,000	11,041,124	10,000,000	19,950,644
Provinciale	1,000,000	637,873	3,000,000	1,525,463
Royal	11,560,000	13,575,119	24,400,000	25,649,435
Standard	2,860,240	3,812,457	4,832,400	3,107,892
Toronto	5,000,000	6,307,272	5,000,000	7,322,080
Weyburn	316,100	103,112	524,560	247,186
Since absorbed	39,534,671	33,581,308	....	....
	$114,082,255	$119,780,524	$116,164,660	$131,878,950
		114,082,255		116,164,660
		$233,862,779		$248,043,610
SINCE ABSORBED				
B. N. A.	$ 4,866,666	$ 3,125,779		
Metropolitan	1,000,000	1,432,547		
N. Crown	2,811,804	422,276		
Ottawa	4,000,000	4,952,759		
Quebec	2,727,850	1,331,967		
Merchants	7,000,000	7,248,134		
Hamilton	3,000,000	3,751,131		
xxHome	1,943,998	773,932		
Molsons	4,000,000	4,881,932		
Nationale	2,000,000	1,762,299		
Sterling	1,184,353	387,982		
Union	5,000,000	3,490,579		
	$39,534,671	$33,581,308		

†—Includes reserve. xx—Defunct.

Comparative Record of Listed Bank Stocks

Banks—	High price 1910	High since Date	High July 1914	Prices at the end of 1920	Prices at the end of 1921	Prices at the end of 1922	Prices at the end of 1923	Prices at the end of 1924	Prices at the end of 1925	Pres. Price
Commerce	237	May 1911	205½	182½	185	191½	184	196½	225	223
Dominion	242	Jan. 1913	230	191	200	191	182	190	215	208
Can. Nat.	180	Aug. 1912	151	153	148	158	144	150	168	158½
Imperial	235	Apr. 1911	218	188	174	180	174	190	212½	205
Montreal	271	Oct. 1925	235	196	215	231	240	244	260	266
Nova Scotia	293	July 1926	265	250	252	255	251	262½	281	293
Royal	255½	Oct. 1925	233	193	200	206¾	212	227	249½	250
Standard	239	June 1912	220	193	204	204	167	171	190	191
Toronto	222	Jan. 1926	212	182	188	183	176	194½	213	217

Dividend Record and Yields to Shareholders

Banks—	Div.	1914 July Price	Yield	Div.	May †1919 Price	Yield	Div.	Aug. *1926 Price	Yield
Commerce	10+2	205½	5.85	12	204⅞	5.85	12+1	223	5.82
Dominion	12+2	230	6.08	12+1	207½	6.27	12+1	208	6.24
Can. Nationale	9	151	5.96	9	148	6.08	10	158½	6.30
Imperial	12	218	5.50	12	199	6.03	12+1	205	6.33
Montreal	10+2	235	5.10	12	220	5.45	12+2	266	5.26
Nova Scotia	14	265	5.28	16	269	5.94	16	293	5.46
Provincial	7	...	...	7	...	...	9	...	...
Royal	12	223	5.38	12+2	215½	6.50	12+2	250	5.60
Standard	12	220	5.90	13	204½	6.37	12	191	6.28
Toronto	11+1	212	5.66	12	200¼	6.00	12	217	5.52
Weyburn	5	...	...	7	...	...	5	...	...

†Maximum price May 2, or last price previous to that date.
*Maximum price August 31, or last price previous to that date.

Record of Bank Dividends Since 1918

Banks—	1918	1919	1920	1921	1922	1923	1924	1925	*1926
Commerce	10+2	12	12+1	12+1	12+1	12+1	12+1	12+1	12
Dominion	12	12+1	12+1	12+1	12+1	12+1	12+1	12+1	12+1
Can. Nationale	9	9	10	10	10	10	10	10	10
Imperial	12	12	12+1	12+1	12+½	12+1	12+1	12+1	12
Montreal	10+2	12	12+2	12+2	12+2	12+2	12+2	12+2	12
Nova Scotia	14	16	16	16	16	16	16	16	16
Provinciale	7	†8	8	9	9	9	9	9	9
Royal	12	12+2	12+2	12+2	12+2	12+2	12+2	12+2	12
Standard	13	13	14	14	14	13½	12	12	12
Toronto	11	12	12	12	12	12	12	12	12
Weyburn	5	7	7	7	7	6	5	5	5

*Bonuses may be paid at end of year.
†Increased from 7 to 8 per cent. during year.

Record of Bank Profits

Banks	1919	1920	1921	1922	1923	1924	1925
Commerce	$3,074,892	$3,306,243	$3,116,136	$3,002,435	$2,913,419	$3,424,722	$3,487,213
Dominion	1,256,053	1,347,011	1,125,181	1,175,478	1,129,370	1,144,082	1,156,840
†Hamilton	847,104	888,018	850,672	797,898	....	....	....
Can. Nationale	611,105	649,739	630,902	604,829	600,122	737,083	822,027
‡Home	238,753	268,894	278,556	275,112	....	....	....
Imperial	1,247,516	1,379,318	1,287,061	1,265,839	1,141,600	1,107,890	1,162,149
†Merchants	1,383,569	1,686,156	1,402,820	....	....	....	....
†Molsons	818,802	822,718	752,389	682,104	614,357	....	....
Montreal	3,314,227	4,033,995	3,949,796	4,756,668	4,496,317	4,454,504	4,604,963
†Nationale	533,456	567,372	544,945	401,922	327,238	....	....
Nova Scotia	1,925,478	2,327,422	2,111,733	2,122,682	2,104,532	2,110,028	2,137,920
Provincial	**434,594	338,882	425,647	415,251	583,696	403,330	407,259
Royal	3,423,264	4,253,649	4,037,836	3,958,469	3,909,316	3,878,976	4,081,628
Standard	776,310	784,369	725,014	728,074	695,095	688,683	773,824
†Sterling	213,632	251,436	255,976	260,694	243,350	....	....
Toronto	1,011,359	1,017,371	926,125	878,762	984,669	968,205	1,012,964
†Union	932,256	1,603,842	1,342,389	1,131,060	1,033,432	....	....
Weyburn	62,230	57,742	46,628	48,426	40,270	46,601	44,605

**For 18 months ended June, 1919.
†Bank absorbed.
‡Defunct.

Barcelona Traction Rated as Attractive, by London

Although less spectacular than Brazilian Tractions, the activity of Barcelona Tractions has been of a pronounced character, says the Stock Exchange Gazette, of London, Eng. The common have bid up to 37¾, largely from abroad, the market talking of the possibility of a maiden distribution on the common. The payment in March last and again in June of the full quarterly dividend of 1¾ per cent. on the seven per cent. preference shares, has paved the way for such a step. The board's policy of improvement and additions to the hydro-electric installation has been fully justified. The common shares, with a denomination of $50, are not unattractive as a speculation even at 37¾. As a first charge the 6½ per cent. prior lien bonds, now quoted at par, constitute a sound investment.

In Canadian circles, it is said that powerful London and Belgian interests have been accumulating this stock for a number of months, and the accumulation still continues. Holdings on this side of the Atlantic have been materially reduced and the stock here is held in comparatively few hands. London's interest in the issue is borne out of the material improvement in the company's position since its re-organization two or three years ago. Perhaps the degree of change for the better is not fully appreciated by the general public, but it is recalled that the preferred shares have been placed on a full dividend basis of seven per cent. and the common will receive consideration early next year. The accumulation now going on is undoubtedly against the day when the common shall be raised to the dignity of a dividend payer, and then or before a broad market will be created for the stock. Under the circumstances it is the consensus of local opinion that the market has not yet fully discounted the possibilities of the shares.

Belief Grows That "Power" Shares Will Not React

From Our Own Correspondent.

MONTREAL.—While some would-be investors are complaining about the high price of the new common shares of Montreal "Power," others are buying freely, and it is noticeable that most of the stock is being purchased solely for investment; much of it is going into the hands of those who are buying only small blocks for a long term hold. Thus there are those who hold the view that, while the common stock is at present selling on an extremely low yield basis, yet, in view of the company's past record and its better than excellent prospects for the future, present prices will probably be maintained. Then, again, there is the expectation that the preferred stock will be called within a year or two and an added $1 a year disbursed on the new common at that time.

Drilling in Erickson Coulee near Coutts, on the international border, between Montana and Alberta, the Imperial Oil Co. has struck a flow of gas to the extent of 10,000,000 cubic feet daily.

The Royal Bank of Canada
Head Office, Montreal

Condensed Statement
to the Dominion Government
July 31, 1926

LIABILITIES

Capital Paid up	$ 24,400,000.00
Reserve Fund	24,400,000.00
Undivided Profits	1,249,435.32
Notes in Circulation	36,969,841.94
Deposits	592,290,425.05
Due to other Banks	17,465,845.21
Bills Payable (Acceptances by London Branch)	6,974,699.80
Letters of Credit outstanding	32,881,884.06
	$736,542,131.40

ASSETS

Cash on Hand and in Banks	$116,246,107.79
Deposit in the Central Gold Reserves	14,000,000.00
Government and Municipal Securities	96,619,010.84
Railway and other Bonds, Debentures and Stocks	18,722,730.10
Call Loans in Canada	28,635,769.56
Call Loans elsewhere than in Canada	41,935,511.31
	$316,159,129.60
Loans and Discounts	368,395,984.01
Liabilities of Customers under Letters of Credit as per contra	32,881,884.06
Bank Premises	14,307,672.93
Real Estate other than Bank Premises	3,232,963.91
Mortgages on Real Estate sold by the Bank	1,344,496.67
Deposit with Dominion Government for Security of Note Circulation	1,220,000.00
	$736,542,131.40

878 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL and SOUTH AMERICA, also LONDON, NEW YORK and BARCELONA.

Auxiliary: THE ROYAL BANK OF CANADA (France)

Lougheed & Taylor, Limited
Calgary, Canada

Bond, Insurance, Estates,
Farm Lands, Appraisals

We are well informed on the oil situation.

CANADIAN SERVICE
FROM MONTREAL

"We thought Cunard service would cost more—but it doesn't. How lucky! We booked return, of course."

Cunard
ANCHOR-
DONALDSON LINE

Particulars from
The ROBERT REFORD CO.
Limited
TORONTO
(*Phone Elgin 3471*)
or any STEAMSHIP AGENT

McDougall & Cowans
Members of the Montreal Stock Exchange
130 St. James Street
STOCK BROKERS
HALIFAX SAINT JOHN, N.B. QUEBEC
OTTAWA TORONTO WINNIPEG
MONTREAL
Direct Private Wire to all Branches and New York

William Hamilton
LIMITED

Pulp Mill Machinery
Made in Canada

Shartle Pumps
Jordan Engines
Dayton Beaters

Head Office: Peterborough, Ont.
Vancouver Montreal Winnipeg

New Issue

$275,000

St. Catherine Street Realty Corporation
LIMITED
(ST. JAMES BUILDING, ST. CATHERINE STREET, MONTREAL)

6½% First (Closed) Mortgage Leasehold Sinking Fund Gold Bonds

Dated July 1st, 1926 Maturing July 1st, 1946.

Interest payable half-yearly (1st January and 1st July). Interest and principal payable in gold coin at the office of the Royal Bank of Canada at Montreal and Halifax. Denominations: $1,000, $500 and $100. Coupon bearer bonds registerable as to principal only. Callable in whole or in part on any interest date at 105 with accrued interest.

TRUSTEE: ROYAL TRUST COMPANY, MONTREAL.
LEGAL OPINION: Messrs. WAINWRIGHT, ELDER & McDOUGALL, MONTREAL.

From a letter of Mr. J. C. Asch, President of the Company, we summarize as follows:—

CAPITALIZATION:

	Authorized	Issued
6½% First (closed) Mortgage Leasehold Bonds	$275,000	$275,000
Common Stock (no par value)	20,000 shares	10,000 shares

PROPERTY: The St. Catherine St. Realty Corporation, Limited, incorporated under Dominion of Canada charter, owns the leasehold of, and has under construction a three-storey store, office and loft building on the property extending one whole block along St. Catherine Street, between City Councillors Street on the west and St. Alexander Street on the East. The building, to be known as the St. James Building, is being constructed by Anglin-Norcross, Limited, from plans prepared by Mr. Frank Peden, Architect, of Montreal. The construction will be of brick and concrete and will be fireproof throughout. The building will cover about 19.430 square feet of land and upon completion will provide approximately 54,000 square feet of net rentable area in the most desirable retail and commercial section of Montreal.

SECURITY: This issue of 6½% twenty-year Sinking Fund Gold Bonds is closed at $275,000 and will be secured by a first mortgage on the building and leasehold on the entire property of the Company.

Proceeds of the bond issue have been deposited with the Royal Trust Company and are being paid out to Anglin-Norcross, Limited, the contractors, on progress reports approved by the architect. Completion of the building by December 31st, 1926, free of all workmen's, contractors' or other liens, has been guaranteed and a copy of the guarantee has been lodged with Royal Trust Company.

VALUATION: Valuation of the completed building and leasehold given by Messrs. The Cradock Simpson Company is $550,000, and by Ernest Pitt & Co., $595,000. This bond issue, therefore, constitutes a mortgage at the rate of 48% of the average of such valuations.

EARNINGS: Net income from the completed building, after operating expenses, taxes, sinking fund, etc., available for bond interest, has been estimated by the President at $58,525, or more than three times bond interest requirements.

After deducting bond interest of $17,875 these earnings would be equal to more than $4.00 per share on the no par common stock.

Leases providing a gross revenue of $50,400 per annum have already been signed for 13,400 sq. ft. out of the 54,000 ft. available and negotiations are advanced for the leasing of the balance of the space.

SINKING FUND: The Trust Deed provides for a sinking fund for the redemption of the bonds by the payment to the Trustee on the first day of January, 1928, and on the first day of each month thereafter, of $572.92 ($6.875.00 yearly), plus an amount equal to one twelfth of the annual interest on all bonds previously redeemed through the sinking fund or otherwise. It is estimated that this sinking fund will be sufficient to redeem all the bonds before maturity.

PRICE: 100 and accrued interest to yield 6.50%.
Carrying a bonus of ½ a share of Common Stock of no par value of the St. Catherine Street Realty Corporation with each One Hundred Dollar Bond.

Fractional shares of no par value Common Stock will be adjusted at $25.00 per share.

JOHNSTON AND WARD
MEMBERS {MONTREAL STOCK EXCHANGE / TORONTO STOCK EXCHANGE}
14 KING ST. EAST, TORONTO
HALIFAX SYDNEY MONCTON SHERBROOKE KINGSTON MONTREAL
LONDON, ONT. ST. JOHN'S, NFLD.
Private wires to all branches

Public Utilities

SHAWINIGAN MAY SHORTLY ACQUIRE LARGER HOLDINGS

Carillon Site May be Developed — Shawinigan Interested

From Our Own Correspondent.

MONTREAL. — Pourparlers have been under way for some time leading to the development of Carillon power site on the Ottawa river. If these are successfully concluded the Shawinigan Water and Power Company will own an interest in a company which may be formed to develop this site.

It will be recalled that the province of Quebec leased the site in 1912 to Henry Miles for a term of 62 years. Then, later, Miles became associated with the E. A. Robert interests who administered, or maladministered, the Montreal Tramways and one or two other electric services in and around the city of Montreal. Later the Robert group interested American capital in what was then generally known as the Carillon Power project. The idea behind the project at that time was the export of power to the United States. Fortunately, however, public opinion forced Mr. Mackenzie King to refuse the promoters the right to export the power and thus the whole scheme was abandoned.

Now comes the news that Shawinigan is interested, or may become interested, in the development. Thus, if present negotiations are successfully concluded the Shawinigan group of companies will stand revealed in an even stronger position. For this would mean that Shawinigan will be interested in every power project or power site situated within easy and economic striking distance of the prosperous St. Lawrence river valley.

Not only would such a development, if it be undertaken, prove an excellent move from an investment angle, but it would also mean that there would be no further efforts made to export Canadian power from Carillon. In itself a good thing.

Talked About 400,000 H.P.

When the Robert interests first talked of developing the Carillon site, they spoke glibly enough of the development of around 400,000 horsepower and the great good resulting to mankind therefrom. However, in the opinion of many engineers, the site has only a potential capacity of a little over 200,000 h.p. Thus, perhaps, the preliminary installation at such a new plant might total 100,000 h.p. only. Indeed, the late Sir Adam Beck, as chairman of the Ontario Hydro Electric Commission, publicly declared that the site could not produce more than 200,000 h.p. If the government should undertake the regulation of the flow of the water in the river, such a course would naturally increase the capacity of all the sites on the river.

Carillon is situated on the Ottawa river between Montreal and Ottawa, at the point where the Ontario provincial border meets the river.

The vice-president and general-manager of Shawinigan, Julian C. Smith, has stated that in the meantime the company's engineers have been investigating the matter, but that to date nothing of a definite nature has transpired.

But Shawinigan is expanding steadily in other directions. Its latest acquisition is the Beauharnois Electric Company. This deal has just been concluded, and it it intended to make several extensions to the property of this latest subsidiary. The subsidiary operates in the territory lying o nthe south shore of the St. Lawrence river, just to the west of the city of Montreal; an active program to extend its operations will commence immediately.

Receivers of D.U.R. Are Not Optimistic

From Our Own Correspondent

MONTREAL.—The receivers of the Detroit United Railways have forwarded a report to the various creditors of the road, which does not make cheerful reading and which takes no optimistic view of the outlook for the future.

Perhaps the most significant word contained in the report is the news that some of the bondholders whose mortgages cover only certain portions of the property are asking the courts to set aside the previous order which extended the receivership to the physical properties of the subsidaries of the company. Should this order be granted, it seems reasonable to presume that it would apply to all subsidaries.

The company has many subsidaries, some of which have bond issues outstanding. Should some of the underlying bondholders acquire certain portions of the property, it would have a very definite bearing on the outcome for the other groups of bondholders.

TWIN CITY TRANSIT

Net earnings of the Twin City Rapid Transit Co. available for the common stock for the first seven months of the year, show an increase of 15 per cent. as compared with the corresponding period of last year. This improvement is not so great as expected under the new fare schedule of eight cents cash, or six tickets for forty cents, which came into effect at the beginning of the current year. It is sufficient, however, to leave a comfortable margin after the 5 per cent. dividend is paid, and ensures a continuation of this rate at least, although there will have to be further substantial improvement before the directors will consider a further increase to six per cent., and this does not seem probable this year.

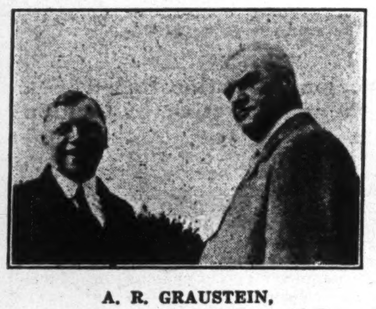
New Brunswick Lauds International Paper Heads who in Turn Invite Canadian Capital to Join

New Brunswick felt that it had really made a step in the direction of a long-sought goal, when the work was begun the other day on the Grand Falls power development of the International Paper Company.

A. R. Graustein, president of the International Paper Company; Hon. J. B. M. Baxter, premier of New Brunswick, and other interested and distinguished guests were present. In his address on the occasion, Mr. Graustein said:

"International Paper Company, well named for this purpose, is the instrumentality by which the power is to be developed. International Paper Company has long had extensive and valuable properties in Canada, which we have recently largely increased by purchase and construction, till now we are not only the largest producer of sulphite pulp in Canada but will also, on the completion of the Gatineau Mill, be the largest producer of newsprint in Canada, as in the world.

"We have consistently endeavored to have our Canadian enterprises promote the prosperity of Canada in every way possible, through the employment of Canadian labor and purchase of Canadian materials and of equipment manufactured in Canada, wherever we could do so without a loss. In fact, when we recently asked for quotations for machinery for a Canadian plant from a United States manufacturer, he told us it was not worth his while to submit a bid, as he knew we intended to buy the machinery in Canada anyway. This policy is to be carried out where possible in New Brunswick through the employment of New Brunswick labor and the purchase of New Brunswick materials. And while the International Paper Company is a United States corporation, the enterprise is fundamentally New Brunswick and Canadian. It stays here. It gives labor and pays wages, buys materials and creates wealth here. And the Paper Company itself is far from being a foreigner in Canada.



A. R. GRAUSTEIN,
The president of the International Paper Company, and Hon. E. A. Reilly, Chairman of the New Brunswick Electric Power Commission, have a chat after the opening ceremonies.

"True, in the past by far the greater part of the earnings of International Paper Company were in the United States, and the company was almost wholly owned there. Now, however, that the company has become active in Ontario, Quebec and New Brunswick, the number of Canadian shareholders has greatly increased. These Canadian properties have appealed to the Canadian investors as sound, and these investors have bought very substantially of our bonds and our shares, and will have a part in the management of our Canadian enterprises.

"Speaking for myself and for my associates in the United States, I wish to express here the hope that more Canadian investors will by purchasing our shares indicate that they share our confidence in the future of our industries in Canada. And it is a pleasure to take the opportunity to express to you all personally the faith which our work now started has already shown, faith not only in this power development, but also in the newsprint and other industries to be based on it, and in the future of the Province of New Brunswick."

DISTINGUISHED GROUP SEES GIANT POWER PLANT WORK BEGUN

Left to right, front row: Col. George Keefe, Aide to Lieut.-Gov. Todd; Hon. Raymond Fellows, Attorney-General of the State of Maine; Hon. W. F. Todd, Lieut.-Gov. of New Brunswick; D. J. Collins, Mayor of Grand Falls; Archibald R. Graustein, President of International Paper Company; Hon. John B. M. Baxter, Premier of New Brunswick; Hon. Robert J. Manion, Postmaster-General of Canada; Hon. G. B. Jones, Minister of Labor of Canada. Left to right, back row: Hon. Leonard P. D. Tilley, Chairman of Executive Council, New Brunswick; Hon. J. Leonard O'Brien, Speaker of Legislative Assembly; Sir Douglas Hazen, K.C.M.G., Chief Justice of New Brunswick; George McAvity; Ward C. Pitfield, General Manager of Royal Securities Corp., Montreal. Also in group are: Hon. E. A. Schofield, a member of the New Brunswick Electric Power Commission; Hon. E. A. Reilly, chairman of the Commission; and George A. Henderson, police magistrate of Saint John, N.B.

OTTAWA TRACTION NET EARNINGS UP DURING THIS YEAR

Only a Fractional Increase Though Revealed in Gross in First Half of Year

From Our Own Correspondent

MONTREAL.—During the first six months of 1926, the net earnings of the Ottawa Electric Railway Company show a substantial increase as compared with the corresponding period of 1925. The increase in the net has been brought about despite only a fractional increase in the gross. The investors' interest in this company is confined to the holding company, the Ottawa Traction Company. The latter's earnings are derived solely from its holdings of all the stock of the subsidiary.

The Royal Securities Corporation has prepared a circular on the shares of Ottawa Traction which shows the earnings during the first six months of the year as follows:

6 Mos. to June 30	1925	1926	Incr.
Gross Earn. ...	$887,709	$891,530	$ 3,821
Deduct:			
Oper. and Maint. Exp. Federal and Local Taxes	677,082	645,182	31,900x
Net earnings from oper. avail. for fixed charges, dividends and res.	210,627	246,348	35,721

xDecrease.

From the foregoing figures, it will be apparent that the total net for the present year will probably be about $500,000. From this figure will be deducted the sum of $165,000 for fixed charges, leaving approximately $335,000 applicable to the common shares whose dividend requirements on the present 5 per cent. rate of disbursement amount to $281,580.

Stock Sells Low

The common stock of the parent company changes hands on the Montreal Stock Exchange and at present prices yields about 7.5 per cent. This figure seems out of line with yields from similar grades of securities. In dealing with the operations of the company, the Royal Securities says in part in its circular:

The Ottawa Electric Railway Company operates under the Special Act first passed by the Province of Canada in 1866. Franchise and agreements provide for the exclusive operation of an electric railway or any other transportation system in the city—including prohibition of competition from motor buses operated entirely within the city limits—on fares which may, if necessary, be adjusted from time to time to ensure a fair profit on the capital invested in the company's property.

Low Fares in Ottawa

The company has operated continuously and successfully since 1866 under a five cent fare. The inherent soundness of its system and the efficiency of its management become the more apparent when it is realized that during the war and in subsequent years, rates in practically all North American cities were advanced due to generally increasing operating expenses, and that a seven cent fare is now general. Approximately $2,000,000 has been expended by the company in capital additions to its properties since January, 1924.

An adequate return of interest on the present valuation of the properties — which the terms of the franchise are designed to provide—will ensure the company's ability to earn dividends at the present rate, plus necessary reserves, as its capitalization in comparison to the valuation of its properties is moderate.

Property Valuation

In 1922, Dr. L. A. Herdt, D.Sc., valued the company's properties (exclusive of its water powers at the Chaudiere Falls) at $4,949,477. In December, 1922, a by-law agreed upon by the Mayor and Council of the City of Ottawa was submitted to Ottawa ratepayers for the purchase of the properties and assets of the company as at July 31st, 1922, for a sum of $4,500,000 plus capital expenditures subsequent to that date. These capital expenditures have since been made to the extent of approximately $2,000,000, so that the present value of the properties on this basis, without including any value for goodwill and franchises, is in excess of $6,500,000. To this must be added the company's net current assets and miscellaneous assets, making a total value of the company's assets of approximately $7,000,000.

Deducting from this the value of the presently outstanding $3,000,000 of first mortgage bonds, it is apparent that the company's shares have a book value in excess of $70 per share, exclusive of any allowance for its most valuable goodwill and franchises.

The growth of the company's business has been steady and consistent, as is shown in the following table:

Year	Car Mileage	Number of Fare Passengers Carried	Gross Earnings
1900	2,238,704	7,094,656	$315,022
1905	2,619,791	9,891,311	449,634
1910	4,075,360	16,967,334	748,709
1915	4,703,681	24,361,867	1,041,100
x1920	5,039,571	36,396,831	1,786,066
1925	4,992,951	34,366,662	1,733,357

x1920 results were inflated by abnormal traffic conditions and temporary increase in population, due to enlarged civil and military staffs dealing with the demobilization and reestablishment of the Canadian Expeditionary Forces.

Statements of the company as certified by its auditors, Messrs. Crawley, Milne & Company, chartered accountants, indicate that net earnings available for reserves and dividends for the four years ended December 31, 1925, have been at an average rate of $367,265. The amount required to pay Ottawa Traction Company's present annual dividend of 4 per cent., plus 1 per cent. annual bonus, a total of 5 per cent. per annum, is $281,580.

Montreal "Power" Starts Share Sale to Customers

From Our Own Correspondent.

MONTREAL.—This week, the customers of the Montreal, Light, Heat and Power Consolidated were offered the opportunity to participate in the company's customer-ownership policy. The customers will purchase 80,000 no par value common shares at the preferential price of $50 per share payable in monthly $2 instalments. All the payments will carry interest, credited quarterly, at the current dividend rate.

Each customer has received a letter from J. S. Norris, vice-president of the company, which outlines the history of the company and which contains a warrant entitling the customer to subscribe for from one to twenty shares of stock. The subscription opens September 1, and it is generally thought that by that date, subscriptions covering the full amount of the issue will have been received.

CAPE BRETON ELECTRIC

SYDNEY.—Philip M. Wentworth, of Haverhill, Mass., has been appointed manager of the Cape Breton Electric Co., which operates light, heat, power and transportation services in and around Sydney and Glace Bay. M. C. Smith, the previous manager, has been promoted in charge of other Stone & Webster enterprises in the Southwestern States.

Alabama Power Earnings

The Alabama Power Co. report gross earnings for July at $1,027,207 as against $999,067 in July, 1925. The balance left after deducting taxes was $508,222 as compared with $421,454 last year. Twelve months gross is higher at $12,851,039 and balance left after taxes for the twelve months was $5,967,791 as compared with $4,920,831.

Net Profit Reported By Canadian Marconi

From Our Own Correspondent.

MONTREAL.—The annual report of the Canadian Marconi Company shows net profits for the year 1925 of $37,984, as compared with a loss in 1924 of $42,510. The balance sheet also shows an improvement with current assets at $808,234, as compared with $659,974 at the end of 1924, and current liabilities at $273,574, as against $327,018. Total assets stand at $4,224,876, as against $3,579,939, property and plant being up over $500,000.

At the anual meeting, Hon. Lorne C. Webster was elected a director.

The report of the directors states that there has been a gratifying increase in the volume of sales of radio apparatus, and that further development of this branch of the company's activities is anticipated.

Referring to the new Beam stations, which have been in process of erection at Drummondville and Yamachiche for communication with similar stations now being erected in England, the report states they are now practically completed, and acceptance tests will be carried out at an early date. Agreements which have reference to the exchange of messages over the new Beam system have been entered into with the British Post Office, and suitable arrangements have also been made with the C.P.R. Telegraph for the handling of the traffic over Canadian landlines.

Offer Shawinigan Rights Soon

MONTREAL.—The right to subscribe to the new shares, which the Shawinigan Water and Power Co. is offering its shareholders, will expire on Nov. 10 next. New stock is being offered the shareholders at $150, one share of new stock for every ten held. The offering will be made to the shareholders on the books of the company on Sept. 10. Warrants will be issued shortly after this date. Shareholders whose holdings are not in multiples of ten will adjust the offering by the purchase or sale of "rights."

Public Utility Earnings

WINNIPEG ELECTRIC

July —	1926	1925	Change
Gross	$416,014	$383,636	+$32,378
Net rev.	124,226	106,987	+ 17,239
Net income	26,541	12,568	+ 13,973

SOUTHERN CANADA POWER

July—	1926	1925	Incr.
Gross Earn. ..	$106,394	$ 38,083	$ 8,311
Oper. Exp.	40.349	35,088	5,261
Net Earn.	$ 66,044	$ 62,994	$ 3,049
10 Months Ending July 31st—			
Gross Earn. ..	$1,133,517	$962,676	$170,841
Oper. Exp.	388,434	418,701	x30,266
Net Earn.	$745,083	$543,974	$201,108

SOUTHERN CANADA POWER CO.

	July, 1926.	1925	Incr.
Gross Earn.	$106,394.40	$98,083.29	$8,311.11
Oper. Exp.	40,349.99	35,088.60	5,261.39
Net Earn.	$66,044.41	$62,994.60	$3,049.72
10 Months Ending July 31st—			
Gr. Earn.	$1,133,517.86	$962,676.27	$170,841.59
Op. Exp.	388,434.59	418,701.44	x30,266.85
Net Earn.	$745,083.27	$543,974.83	$201,108.44

xDecrease.

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

'PEG ELECTRIC STOCK BREAKS NEW GROUND

Strength in Market, Bettered Earnings and Possible Power Sale Increases Price

From Our Own Correspondent

MONTREAL.—The common stock of the Winnipeg Electric Company this week broke into higher levels than it has touched since 1917. The reason for the move lies of course in the steadily increasing earnings and the probability that it will close a long term power contract with the city of Winnipeg shortly; coupled with this is the fact that the stock market generally is strong.

It is expected that the Winnipeg city council will consummate the power deal at its next meeting on September 6. The by-law has already passed two readings before the council and after the third reading the matter will be definitely settled.

There are many who view favorably the common stock of the company and who feel that the price of 268, at which it changed hands back in 1912, gives some indication of the earning power of which the assets are capable. This, of course, would have to be coupled with a gradual return to better times in the West generally. At the present time the outlook for the western provinces is favorable from a long range point of view. And the West can not progress without bringing equal prosperity to the city of Winnipeg. Thus Winnipeg Electric should benefit.

The bettered earnings of the company over the past eighteen months indicate also some measure of industrial revival and further expansion along this line may be anticipated; there is, for instance, the Manitoba Paper Company whose first unit will be ready for operation by December. The operation of this machine will probably require about 10,000 h.p. which is to be supplied by the Winnipeg Electric Company's subsidiary, the Manitoba Power Company. The completion of this new newsprint plant in 1927 means much to the Winnipeg Electric.

While the Manitoba Power Company is a separate entity in which the parent company owns the control of the stock, yet the parent company has guaranteed to purchase sufficient power from the subsidiary's plant to meet the latter's bond interest requirements. Therefore, the additional market which Manitoba Power is finding for its output works out to the benefit of the parent organization, which is therefore not forced, in some instances, to dispose of the power so acquired at below cost.

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members
Toronto Stock Exchange
Montreal Stock Exchange
21 JORDAN STREET - TORONTO

A Seasoned Public Utility Investment

THE CANADA ELECTRIC COMPANY, LIMITED
6½% FIRST MORTGAGE BONDS
are issued by a company whose record of earnings, established over a period of years, ensures prompt payment of interest and principal when due.

These earnings, satisfactory in the past, will be greatly increased through new business recently contracted for and substantial economies which will be effected from the operation of the new large generating plant.

The Bonds are long-term, carefully safeguarded, have ample sinking fund provisions, and yield 6½%.

May we send you full particulars?

HANSON BROS.
INVESTMENT SECURITIES
FOUNDED 1883
330 Bay Street TORONTO Tel. Adelaide 5859
160 St. James Street MONTREAL Tel. Main 8071
63 Sparks Street OTTAWA Tel. Queen 8123

Beautifully bound
!
—a feature of The Financial Post Record of Prospectuses

BOUND for permanence, the newly issued Record of Prospectuses is a valuable addition to the banking, investment or legal library.

Prospectuses of all issues of new securities in the first six months of 1926 have been included and also annual reports, speeches at annual meetings, etc.

Already hundreds of copies have been bought by investment bankers, lawyers, bankers, investing institutions, etc. To these business people, the Record of Prospectuses means a saving of filing space and more thorough, accurate records.

Now ready for distribution; first volume, covering January to June, 1926.

Single copies, postpaid, $5.00
Ten or more copies, each $4.00

THE FINANCIAL POST,
143 University Avenue,
Toronto, 2.

Send me .... copies of The Financial Post's Record of Prospectuses, January to June, 1926.

I enclose ....

Name ....

Address ....

Food Products

CANADIAN FLOUR SHIPPED TO BRAZIL; FIRST TO GO DIRECT

Send Five Thousand Tons Forward from Port of Montreal

MONTREAL.—The first full cargo of Canadian-milled flour ever to leave a Canadian port direct for Brazil, went forward from here at the beginning of the week. The shipment amounted to close onto 5,000 tons.

More than ordinary interest is attached to this shipment as it is the first effort on the part of exporters to send a full cargo of Canadian flour direct to Brazil from a Canadian port, instead of routing it by rail to New York and there transferred to boats sailing south.

If this initial shipment meets with success, and every effort has been made to make it successful, exporters see the opening of a wider market for Canadian flour in South American countries. With the inauguration of a regular series of flour shipments direct from Canadian ports, it is pointed out that Canadian milling companies will find themselves in a position to compete on a more equal basis with the same product from the United States through the elimination of the heavy rail freights in force between this country and the United States.

Since the beginning of the current year, Canadian flour exports to Brazil have increased in volume and value to a remarkable degree. In the twelve months ending March 31, 1926, flour shipments to that country amounted to 62,156 bbls., valued at $422,181, as compared with 30,313 bbls., worth $210,966 in the preceding twelve months, an increase of over 100 per cent. The figures for the months of April and May last are of even more significance. Exports in those two months totalled 56,675 bbls., of value of $390,456, as contrasted with 6,645 bbls., value $53,542 and 2,933 bbls., value $13,415, in the corresponding months of 1925 and 1924, respectively.

Gunn's Limited to Revise Loan from Morris Company

No bonds will be issued as result of the action of Gunn's, Limited, in asking preferred shareholders to give their consent to the placing of a mortgage on the fixed assets of the company. President J. A. Gunn, in a letter to the shareholders, explains that in 1922, in order to carry on the business, it became necessary to secure additional capital. Brig.-Gen. J. A. Gunn, and Morris and Company, the two most heavily interested common stockholders in the business, advanced $250,000 and $374,500 respectively. Morris and Company have since sold out their business to Armour and Company, and are liquidating the Morris estate, and have now made a demand for the payment of their loan.

President Gunn states it has been impossible to make banking arrangements to meet this loan, and as a result the directors passed a by-law for the placing of a mortgage on the fixed assets and are, therefore, asking the preferred shareholders for their consent to this. The transaction is understood to be purely formal.

Canada Bread Produces 1,360,000 Loaves Weekly

At the annual meeting of Canada Bread Co., Leroy Shaw was added to the board of directors. He announced that the company's annual consumption of flour had increased by 20,000 barrels during the last year. This means an increase in production of over 4,000,000 loaves of bread. The average weekly production now amounts to 1,360,000 loaves. The company employs 1,200 hands. The distribution of its products requires 620 horses and 69 trucks.

There is a constant improvement of equipment going on. One of the latest improvements is in the installation of five gas-fired traveling ovens, which involved an expenditure of $50,000 each. One of these has already been installed, and the others will be in operation shortly. One is to be placed in the Hamilton branch and another in Ottawa, and the remaining three in the Danforth Avenue, Avenue Road and Bloor Street plants in Toronto. Mr. Bredin left no doubt in the minds of shareholders that the company is enjoying larger business than ever before in its history, and that constant efforts are being made to improve the efficiency of its operations and enlarge the distribution of its products.

Asbestos Corp. Shares Now in Better Demand

From Our Own Correspondent.

MONTREAL.—There has been a somewhat improved demand for the shares of the Asbestos Corporation due, so it is said, to the fact that the corporation's earnings, during the past three months, have been better than were anticipated. The next dividend on the preferred shares is due on October 15. The general prevailing opinion here is that the dividend will undoubtedly be paid at that date. Investors have received no official information of the corporation's intention to make the disbursement, but dividends would hardly have been inaugurated had not the management felt that there was every indication that these payments could be maintained.

The preferred shares have been changing hands on a high yield basis, around 10 per cent. This is due to the fact that as the corporation has not been in operation for a year, investors have no means whatever of judging the earning capacity of its assets and hesitate to purchase a security of whose earning power they have no knowledge.

The president of the Asbestos Corporation is still in Europe, where, it is understood, he has been endeavoring to reach some agreement with the South African producers of the mineral. No word has reached these shores, however, as to how successful these negotiations have been. In the meantime, the competitive situation still exists.

Ontario Bakeries Now Has 19 Bakeries in 11 Centres

Purchase of Confederated Bakeries by Ontario Bakeries sets up a small city bread chain in Ontario, that matches in number of units though not in production the larger bakery chains.

Ontario Bakeries, Limited, now represents a consolidation of 19 important bakeries operating in 11 important Ontario centres, Guelph, Stratford, Woodstock, Simcoe, Tillsonburg, Dunnville, Barrie, Midland, Sudbury, North Bay and Trenton, having a total output of over 180,000 loaves per week, in addition to fancy baking. This production will be steadily increased and costs reduced through centralized management.

Colonel S. B. Papler, general manager of the Confederated Bakeries, Limited, has been added to the board of Ontario Bakeries, Ltd., as managing director. It is understood that the entire staff will be maintained.

RICE CROP WILL GOVERN ORIENT'S FLOUR PURCHASES

Japan Makes its Own Flour But China Imports Finished Product

Canada has built a big market for wheat and flour in Japan and other parts of the Orient. In view of that fact there is some interest in a discussion of the Orient wheat and flour market in the bulletin of the National Bank of Commerce, New York. It says:

"With the Japanese flour market already well supplied by domestic mills, China has become the arena of competition for the flour trade of the Orient. Despite the goodly number of modern mills at Shanghai, the principal milling centre of the country, the industry as a whole is far from the stage of development which has been reached in Japan. Contrary to the situation in that country, Chinese mills depend mainly upon home-grown wheat, and imports are largely in the form of flour.

Too Much Optimism Dangerous

"All the evidence of a growing taste for wheat products in the Orient should not be allowed to engender too much optimism as to the absorptive capacity of that market. Any change in economic conditions which caused wider dissemination of purchasing power would greatly extend possibilities for the marketing of flour. Nevertheless, it is unlikely that rice, a cheap, home-grown cereal, will be largely replaced by wheat in Oriental diet, and imports of wheat may be expected to continue to fluctuate according to the varying fortunes of the rice crop. The habits of the masses of the population in the interior change slowly and the addition of wheat products to the diet will doubtless prove to be a slow and somewhat erratic process.

"Whether the future demand will be for flour or for wheat from abroad will depend upon the success of Japanese mills in establishing their position and upon whether a milling industry can be built up in China large enough to take care of imported wheat. In appraising the milling industry of the Orient, however, it must be remembered that cheap labor is of relatively small advantage to modern milling because of the automatic nature of most of the operations and that a low capital charge is a correspondingly important consideration."

B.C. SALMON PACK LIKELY TO BREAK ALL OLD RECORDS

Over 1,750,000 Cases Promised By Early Activity On Coast

Investors in B. C. Fishing and Gosse Packing shares will be interested to learn that figures released by the British Columbia fisheries department show the salmon pack on the B. C. coast this season is larger than ever before at this time of year. Cannerymen state there is every indication that the pack, when the season closes, will be the largest in the history of the industry in British Columbia, and if prices remain as at present the value of the pack will reach a record figure.

It was in 1924, the figures show, that British Columbia had its record pack, 1,747,505 cases being put up in that year. On August 21, that year, the pack was 935,316 cases, and this year, in a corresponding period, the total is 1,055,206 cases. It is believed that by the end of the season the 1924 figure will be eclipsed.

The pack in 1925 totalled 1,720,622 cases, or approximately 27,000 cases less than the record production. On August 21 last year, the total was 776,705 cases, or nearly a quarter million cases less than the 1926 pack to date.

Prices for sockeye this year are higher than ever before, according to cannerymen. It is said that fishermen on the Fraser River are at present receiving $1 each for sockeye, and the price being paid all along the coast is the highest in history. Prices for cohoes are also unusually high.

Fisheries department figures show that the total sockeye pack on August 21, was 260,914 cases, compared with 369,151 cases at the corresponding date last year, and 345,750 cases for 1924. Springs to the extent of 41,574 cases have been put up this year, compared with 37,921 cases last year and 19,913 cases the year before.

The blue back pack this year is 15,022 cases, against 6,429 last year; and 1,262 cases of steelheads have been put up, compared with 1,089 last year.

The pack of pinks surpasses all other varieties of salmon. So far 645,213 cases have been put up, compared with 238,911 cases in the corresponding period of 1925 and 476,278 cases in 1924. The cohoe output is 34,575 cases and 56,646 cases of chums have been put up this season.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period August 15 to August 21, inclusive, amounted to 13,043 tons.

American Investments in Canada Only a Tenth Our National Wealth

No Reason to Fear American Invasion of Capital When Proportion so Small—Plain Decency Demands We Give American Capital Good Welcome When It Comes on Our Invitation

THE late Professor James Mavor, one of Canada's leading economists, was never worried about the political influence of large investments of American capital in Canada. He prepared an article on the subject, which he never published, but which was found among his papers after his recent sudden death. His widow has made the article available for publication and it was recently given considerable prominence in Barron's financial weekly of New York.

Takes Post's 1923 Estimate

Professor Mavor has accepted as the best estimate of foreign investments in Canada, the estimate made by The Financial Post in 1923. This showed $2,478,000,000 of United States capital in Canada, an estimate which has been accepted and since published the world over, appearing in official American and British government publications and in a number of books on investment. Prof. Mavor had the estimate brought up to the end of 1924 and calculated that there was $2,538,000,000 of American capital in Canada then and $2,228,000,000 of capital from other countries, most of it from Britain.

Taking Canada's national wealth as $22,500,000,000 in 1924, foreign obligations amount to about 20 per cent. of the total wealth and United States obligations to about 10 per cent. of the total.

Foreign investment in our railways is about 50 per cent. of the capital value; the United States investment being about a third of the foreign investment or one-sixth of the whole. The forests appear to be mortgaged to foreign investors to the extent of one-third of their estimated value, the share of the United States being 24 per cent. of the whole. In mines, the foreign investment is about 62½ per cent., the United States investment being about 38½ per cent. of the whole.

The percentage of United States capital in industries was about 11.5 per cent.

No Reason to Fear

Prof. Mavor's "net conclusions" drawn from the foregoing statistics are:

"The movement of capital from the United States to Canada constitutes up till the present time so small a proportion of the total wealth of the latter country that no alarm need on any ground be felt in Canada even if it were subject to considerable increase.

"The movement of capital must depend upon the susceptibility of the country to yield net returns satisfactory to the investors and so long as these returns bear a favorable relation to those yielded contemporaneously in the United States movement to Canada will continue.

"There is not necessarily any political significance in the movements of capital; only in the case of a country which incurs foreign obligations in excess of its power to meet or transfer these can foreign debts be occasion for political embarrassment. A conspicuous instance is that of Turkey."

Wall Street Journal Agrees

With these conclusions, the Wall Street Journal, published by the same interests as Barron's, is in entire accord and it comments:

"An admirable article by the late Professor James Mavor of Toronto University, in the current issue of Barron's, disposes, without much difficulty, of the superstition that the investment of American capital in Canada means the absorption of that country by the United States. Newspapers like the New York World attach a political significance to American investment in the industrial enterprises in Europe which is largely imaginary. All the records of history deny the inference.

"Up to less than thirty years ago British investors had financed by far the larger part of the American railroad system. Their interest in industrial corporations was great and continued to grow up in 1901, when the British stockholder ownership in United States Steel was something to be reckoned with by the board of directors. What, if any, was the political significance? We were relatively less able after the Civil War to finance ourselves than Canada is now. But nobody believed that the American colonies would abandon their independence and range themselves once more under the British flag.

"Take it from Wall Street that while money can do much it cannot do everything. Apart from the economic fact that it is a means and not an end, an instrument of creation but not a creator, an indispensable tool but not the artificer, the control it gives over the destinies of our neighbors is subject to the intelligence, and even the benevolence, with which it is used. The day may come when an American protectorate of Mexico is forced upon us. But American investments in Mexico would be an excuse, a bad excuse, and not a reason.

"There is, of course, the often quoted example of Egypt. It is said that the British bombarded Alexandria in the early eighties and occupied Cairo under the pretext of protecting the holders of Egyptian Unified bonds. Reflections on the honesty of British motives were commoner in American newspapers in those days than they are now or have been since the concession of Home Rule to Ireland and the defeat of Germany in the Great War. Out of the British occupation of Egypt with the comparatively recent concession of autonomy, nothing but good for the world has come and it is the British investor in Egypt who has had the least consideration.

"Where it is intelligently made trade follows the investment in foreign countries, as the British have proved. They opened the doors of commerce to all the world and wisely left them open, exacting no preference themselves. They financed South America but were themselves the instigators of the Monroe Doctrine. We may use our foreign influence wisely or foolishly, but our investment bears not the slightest relation to a campaign of territorial aggrandizement."

Canadians Not "Het Up"

Canadian newspapers have shown no disposition as yet to "view with alarm" the increasing investment of American capital in Canada. The Brantford Expositor argues that these developments and the returning tide of Canadians to their own country should encourage Canadians to regard life a little more optimistically.

The Manitoba Free Press goes further and thinks we ought to stop trying to scare ourselves about Americans and American capital when they come to Canada on our invitation. Says the Free Press:

"Just as a few years ago it was customary in the United States for politicians of a certain type to twist the lion's tail to make votes at election time—the tail being that of the British lion—so it is customary in Canada at election times for a certain type of politician to try to make votes by raising the American annexation bogey. Look at the amount of United States capital in Canada, they say, look at the way it is coming in, look at the industries in Canada controlled by United States capital, look at the number of United States magazines and newspapers coming into Canada, look at the influence of the American moving picture in Canada, etc. It is all very suspicious, they say. It is, they claim, a menace; it is a reason why Canadians should refuse to give any support to those among them who might be willing to promote freer trade relations between Canada and the United States.

"The majority of American politicians have given up the practice of twisting the lion's tail and it is about time Canadian politicians were quitting the practice of setting up the annexation bogey and then knocking it over with their own outbursts of super-charged loyalty. There is no danger of Canada being annexed; it is something that never enters the mind of 99 per cent. of the Canadian people. It is something that never bothers the heads of 99 per cent. of the people of the United States.

"Canadian-United States trade has increased tremendously with the passing of the years, but one is safe in saying that at no time in our history was Canadian sentiment so firmly rooted in Canada. Canada invites and welcomes United States capital. Canada is advertising in the United States to promote United States tourist traffic to Canada. Even the government of Ontario, which is headed by a gentleman who has done his bit at times to bring the annexation bogey to the front of the Canadian stage, Hon. George Howard Ferguson, is advertising in United States magazines the beauties of the Ontario northland as a paradise for the American tourist, fisherman, hunter and camper. It is good business for Ontario to have them come northward in large numbers.

"Well, if Canadians are anxious to have United States capital enter Canada and to have American tourists spend their vacation in Canada, in plain decency we ought to stop trying to scare ourselves over them once they are here. Either that, or we should tell the Americans we do not want either the American tourist or his money.

"Who is ready to take that stand?"

Dominion Stores' Business Shows August Increase

While the management of Dominion Stores have decided to issue official figures on sales quarterly hereafter, instead of monthly as heretofore, it is learned that sales for August showed very substantial increases over the same period last year and were the best of any summer month. This improvement is due in part to the adjustment of conditions in Montreal, where the company is now doing a much larger volume of business. Earlier, the company had some difficulty in getting close to their markets in Montreal.

TUCKETTS
PREFERRED
PANETELAS
2 FOR 25¢
PA-6

FREEDOM
FOR Manufacturers from High Taxes, High Labor Rates, High Labor Turnover, Power Problems, Freedom to Expand on Ample Sites, Permits Concentrated Effort on Production.
We have located plant to the value of over $25,000,000 in the last five years under the above ideal conditions.
WE CAN DO IT FOR YOU
SOUTHERN CANADA POWER COMPANY LIMITED
330 Coristine Building — Montreal

CANADA BREAD COMPANY, LIMITED

BOARD OF DIRECTORS

MARK BREDIN, President
D. O. ELLIS HENRY F. GOODERHAM
DR. J. H. McCONNELL A. A. RYLEY
W. T. BREDIN, Vice-President and General Manager

Balance Sheet as at 30th June, 1926

ASSETS

Cash on hand and in Banks	$ 204,849.89		$7,698,857.87
Accounts Receivable	171,108.27		
Ingredients and Supplies	151,359.85		
Expenses Prepaid	14,581.95		
Investments	424,545.00		
Land, Buildings, Equipment, Goodwill, etc.	6,732,412.91		
	$7,698,857.87		

LIABILITIES

Current		$ 401,978.94	
Accounts Payable	$ 221,526.02		
Wages Accrued	22,057.53		
Tickets Outstanding	17,770.39		
First Preference Dividend (paid 2nd July)	21,875.00		
Class B. Preference Dividend (paid 2nd July)	43,750.00		
Federal Income Tax Reserve	75,000.00		
	$ 401,978.94		
Bondholders		1,063,232.50	
First Mortgage 6 Per Cent. Gold Bonds	$1,037,300.00		
Accrued Interest	25,932.50		
	$1,063,232.50		
Capital Stock		3,775,000.00	
First Preference Shares	$1,250,000.00		
Class B Preference Shares	2,500,000.00		
Common Shares (no par value) 25,000 Issued	25,000.00		
	$3,775,000.00		
Surplus and Reserves		2,458,646.43	
Reserve for Depreciation	$1,065,761.84		
Contingency Reserve	100,000.00		
Surplus	1,292,884.59		
	$2,458,646.43		
		$7.698.857.87	$7,698,857.87

SURPLUS ACCOUNT

Balance at credit 1st July, 1925		$1,165,769.40
Revenue after charging Bond Interest and 1925 and 1926 Federal Income Tax		790,812.11
Interest from Investments		22,275.72
Depreciation on Plant and Buildings	$ 223.472.64	
First Preference Dividends	87,500.00	
Class B Preference Dividends	175,000.00	
Transferred to Goodwill	200,000.00	
Balance at Credit 30th June, 1926	1,292,884.59	
	$1,978.857.23	$1,978,857.23

We have audited the Books of Canada Bread Company, Limited, for the year ending 30th June, 1926, and certify that our requirements as Auditors have been complied with; also that the foregoing Balance Sheet is, in our opinion, properly drawn up so as to exhibit a true and correct view of the Company's affairs as shown by the Books of the Corporation.

OSCAR, HUDSON and COMPANY,
Chartered Accountants.

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN.
Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
Managing Editor—FLOYD S. CHALMERS.
Editor—J. W. TYSON.

A weekly newspaper, presenting in a popular manner, reliable information respecting investments and financial affairs in Canada.

Advertising matter which has a tendency to mislead or which does not conform to business integrity, is declined. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

Reading matter, other than official reports of annual meetings, will not be accepted as paid advertising unless marked "Advertisement."

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration, or given any credit for the insertion or inspiration of any item.

ADVERTISING RATES:
Single Insertion—$2.80 per inch.
Financial Reports, Debenture Notices, etc., 20c. per agate line.

SUBSCRIPTION PRICE
Canada and the United States, $5.00 per annum.

Published by
THE MACLEAN PUBLISHING CO. LIMITED
143-153 University Ave., Toronto, 2.

MONTREAL, Southam Building, Murray R. Chipman; WINNIPEG, 810 Confederation Life Building; NEW YORK, Room 1606, 1133 Broadway; CHICAGO, Room 1004, 168 North Michigan Boulevard; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet Street, E.C., E. J. Dodd, director.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

The Financial Post's Platform for Canada

Promote national unity.
Reduce taxation; curtail public waste.
Conserve Canadian resources for Canadians.
Develop production and manufacturing to the highest point in Canada.
Settle our vacant lands.
Encourage individual initiative.
Induce and protect investment of capital in Canada.

TORONTO, SEPT. 3, 1926

PUBLIC ENTITLED TO FACTS

TWICE has a Harvard professor rocked the boat in Wall Street. Last January, Prof. William Z. Ripley put it up to the corporation executives and investment bankers of the United States that they would have to "go slow" on the issuance of non-voting stocks. Now Ripley is out with an attack on the policy of many corporations of concealing the facts about their assets and earnings. He argues that stockholders are entitled to adequate information about the operations of the companies in which they are interested.

The professor is, again, sound in his argument. Much of what he says applies with equal force in Canada. Balance sheets and profit and loss figures presented to their stockholders by many Canadian companies are inadequate. The possibility of giving information to competitors has been as much an excuse for corporation executives as a genuine source of fear. Some companies do not even bother to give their shareholders financial statements. Not to be too squeamish or delicate about the matter, we might mention the Imperial Oil Company and the British American Oil Company, which have permitted their shares to get distribution among thousands of investors, without giving the courtesy of information as to the financial results.

In these days publicity as to corporation earnings is a barrier to socialism, to manipulation and to public distrust. It is up to the directors of large Canadian corporations, except, of course, private companies, to share their information with their other partners—the investment public and the general public.

FORESTS FOREVER

HOW long will our forest resources last? That is a very vital question considering the importance of Canada's forest industries and considering the extent of the current discussion on the conservation of the forests. Unfortunately, the discussion has been so befuddled by out-right propagandists that the actual situation has not been clear in the minds of keenly interested, because loyal, Canadians.

Fortunately, authentic and unbiassed information is available. Roland D. Craig, forest engineer of the Dominion Forestry Service, states that Canada has about 250,000,000,000 cubic feet of standing timber of all kinds. The present rate of depletion is approximately one-fiftieth of that, or 5,000,000,000 cubic feet per annum, of which about 2,500,000,000 cubic feet is cut up for fuel, ties, posts, pulp, lumber and shingles; 800,000,000 cubic feet is destroyed by fire (sometimes, of course, more, and sometimes less), and the balance is destroyed by insects, fungi, wind and other forces of nature.

The figures seem to give assurance that Canada will for many years remain a forestry nation. That is not enough. Canada wants to remain a forestry nation permanently and to be able to increase its cut of wood. What is the outlook for that?

We find the answer in Mr. Craig's statement that it is doubtful if the annual growth of timber is as great as the annual depletion. He also points out that, while the lumber industry is dwindling, the pulp and paper industry is increasing so rapidly that the annual rate of cut is growing by about 14,000,000 cubic feet per annum.

It is obvious then that the future is clouded with the smoke of forest fires and the shadow of pests. "There is no reason," says Mr. Craig, however, "why with the soil and climatic condition that Canada possesses, that the present production should not be maintained and augmented, providing the loss from fire were materially reduced and logging operations were conducted so as to utilize to the best advantage the present stand and leave the forests in a condition safe and favorable for reproduction."

There is the situation in a nut shell. We can insure the permanence of our forest industries by regulation, caution and common sense. Certainly the effort is worth making. The rising tide of public interest in forestry matters is commendable, because it backs up the work of forestry leaders, governmental and otherwise.

NO AMERICAN INVASION

THERE is no reason for concern when the United States sends either dollars or men to Canada. Canada needs both for the development of the country and can absorb all the American capital and all the American migration that offers itself.

The late Prof. James Mavor put the matter very sensibly when he said in a paper now posthumously published, that the movement of American capital to Canada bore such a small proportion to our total wealth that it need give no cause for alarm and that there would not be any political significance in American investments in Canada unless Canada borrowed beyond its ability to repay.

Canada needs American investments to offset our unfavorable trade balances with that country.

We happened upon an item the other day that said that Canada paid $3,500,000 each year to the United States for films. Just at that moment another item coming to view revealed that American investors had put a similar sum in a new warehouse in Montreal. It works out that way. The excess money we spend in the States comes back in new enterprises for Canada.

COMMENDS WHEAT POOL

THAT the United States might find in the Canadian wheat pool idea the solution of the economic ills of the American farmer is the contention of the Bache Review, published by J. S. Bache & Co., New York. There are two obstacles across the line referred to by the Bache article. The wheat pool "is somewhat similar to the idea towards which the administration has been slowly struggling, perhaps not aggressively enough, but the political bloc in this country is a fierce obstacle to overcome in any governmental procedure.

"The possibility of a thorn in the flesh for big business in this country is the ever-present Sherman law and Clayton law.

"If a big business organization of farmers, like that in Canada, were effected here, would it run up against these laws? It would be directly and unequivocally a control of food products—that most distasteful of operations, in the conception of the Department of Justice."

The Bache Review speaks, to some extent, for Wall Street. Its recommendation of the wheat pool is not without interest.

TOO MUCH CROWN ATTORNEY

ONE can imagine the degree of justice that would obtain if judges were to rely upon the advice of crown attorneys in making their decisions. The crown attorney's job is to effect a conviction. Opposed to him is a defence counsel fighting for acquittal. Between the two of them, they bring out sufficient evidence to enable the judge to form his own conclusions.

Toronto's court of revision — and mayhap, similar assessment revision courts in other cities—loses some of its independence by too much reliance upon the city's assessment department officials in its judgments. Time and again, cases have come before the court and have been argued out; and yet the members of the court have, in the final analysis, left it to the representative of the assessment department to determine what their ruling should be. The city's officials should have no more rights, privileges or influence before a revising body than the ordinary taxpayer pleading his case. Yet to the outsider watching the deliberations of the court there seems to be some lack of detachment from the assessing body.

COAL AND PROTECTION

BOTH Western Canada and the Maritime Provinces, the chief coal producing areas of Canada, find it difficult at times to understand why Ontario and Quebec so strenuously oppose one method which would undoubtedly serve to build up Central Canada markets for Eastern and Western anthracite and bituminous coal. This measure is a tariff on bituminous coal, higher than the present tariff, and a tariff on anthracite coal, which now enters duty free.

There is no doubt that Ontario and Quebec are more vocal in their demands for protection that the extreme east or the prairies. In the Maritimes and in the West those opposing the tariff comprise undoubtedly a higher proportion of the total population than in Ontario and Quebec. Yet Ontario and Quebec, the chief tariff provinces, have shown a disinclination to stand for higher tariffs on coal.

This is not a question where the answer is clear and definite. But the answer can be found since Canada has machinery for investigating the tariff needs of any group or section and of analyzing the effect of any tariff change upon interested parties. But it is the sort of situation that should make the manufacturers of Ontario and Quebec do some serious thinking, since it may suggest why they have failed to convince certain groups in the Maritime Provinces and in the Prairie Provinces of the sincerity, as well as the earnestness, of their tariff discussions.

BRAKING PUBLICITY

SOME of the wealthiest, most successful men in Canada are in the same class with Henry Ford in one respect: they do not believe in advertising. Sitting around the directorate tables of some of our most important banks, utilities and industries are men whose attitude towards advertising is that it is waste. They are ready to admit that it is all right to support a few papers that are doing good work, but they say: "We do not need to advertise; everybody knows us, and if we give good service we do not have to worry." Or the argument may be, as is often the case with public utilities and financial institutions: "We really have nothing to sell. We are not like the people who make soap or shoe laces."

These men pass upon advertising appropriations and vote for them, but too often in a spirit of indifference. Like Henry Ford, they "never did believe in advertising, anyway."

This attitude will never keep Canada in the race for world industrial leadership; will never protect Canadian institutions from successful attack by the scientifically planned merchandising and advertising campaigns of our American competitors in Canadian and foreign markets.

It is easy to understand why executives of the old school who made their money by plunging in Canada's boom days; or even by slow building in the days when advertising had not arrived to speed up business development, are indifferent towards modern advertising methods. But while the old school of business leaders in Canada got by without publicity, the young men coming up to take over the structures they created, will not be so successful if they do not recognize where soundly applied advertising fits into the modern business scheme.

COGS AND PISTONS

IS a cog just as important as a piston? One of the American banks, in its monthly letter to its clients, argues that it is and starts up a train of thought that might lead through our entire economic system if we wanted to let it run so far

The point is raised in connection with our modern educational and political systems, which emphasize the individual and attempt to arouse in every individual the ambition to be a driving force in life, rather than one of the co-workers in the industrial scheme of things, a cog in the machine, so to speak. "In our anxiety to make it clear to the individual that it is within his power to make himself any part of the machine he would like to be, we overlook the fact that the ninety-nine are bound to remain cogs and, in consequence, we neglect to establish the respect for the cog to which he is entitled."

That may be sound philosophy. It is certainly a good line of argument for the man who has established himself as one of the pistons and would like to see a plentiful supply of cogs to replace broken parts. But we prefer to feel that individual effort is going to count for something; that a society where every man is doing his best for himself may be made to gear. A man may do the right thing by himself without doing the wrong thing by his fellow workers.

EDITORIAL NOTES

THE Toronto baseball team that is cleaning up in the International League is mostly Americans. The Toronto soccer team that made a triumphal tour of the States is mostly Old Country people. Toronto's beauty queen was born in Edinburgh. But before the other cities start the razz and chaff chorus let them consider that what has made Canada a mighty fine place to live in is that we have combined the best of the American habits and customs with the best of the British and French.

Fifteen Years Ago

Extracts from Files of The Financial Post.

New York bears take advantage of German selling to depress C. P. R.

Spanish River Pulp building new mill.

City Dairy buys Price's Dairy, Toronto.

Moose Jaw street railway opened.

Wholesale house reports western merchants have two-thirds of assets tied up in real estate.

Charles E. Edmonds, Oldest Christie Brown Employee, Now Heads Big Concern

Fifty Years of Service Brings English Apprentice Lad to Highest Honor in Gift of His Company — Largest of Kind in Canada

EARLY TOIL BRINGS HIM SUCCESS AND FAME

IN FEBRUARY, 1926, Charles E. Edmonds completed fifty years of service with Christie Brown & Co., Toronto, and now the directors have honored their oldest employee by electing him to the highest office in their power, that of president, succeeding the late R. I. Christie, son of the founder of the firm back in the sixties. Thus length of service and loyalty to the firm has been suitably rewarded, and Charles Edmonds is proud of his record of never having worked for any other than the Christie Brown firm in Canada, Canadian Grocer will say this week.

He was born in Devon, Eng., in 1863, and came to this country with his parents in 1872, entering the employment of Christie, Brown & Co., in February, 1876, as a leader apprentice.

His salary was only $1.75 a week, and he was the thirty-eighth employee of the company. Few then would have predicted that the humblest member of the firm would gradually rise through every position until he at last became the senior executive of the great Christie, Brown factories, which now cover an entire city block, and whose products are well known from Labrador to Alaska, and in every province of Canada lying between.

Wonderful Expansion Witnessed

There is romance in the story of the evolution of the baking business, and the 50 working years of Charles E. Edmonds have witnessed wonderful expansion. At that early time the manufacture of biscuits was just getting established in Canada, and after the adoption of the National Policy the Christie firm were enabled to make progress, and gradually the biscuit department became the chief end of the business, and the bread department was dropped.

During the period of struggle young Edmonds had taken his share of the hard work. After two years in the bake shop, he was promoted to the office, and in 1885 had been placed in charge of the financial management of the company. He continued to direct the finances of the Christie, Brown & Co., and in 1899, when the company was incorporated, he was elected secretary-treasurer; to this was added the office of vice-president in 1925. After the death of Major R. J. Christie in 1926, it was fitting that their oldest employee should have been honored by his associates with a greater honor. No other employee possessed such an intimate knowledge of the company's affairs, nor probably had the welfare of this old-established company so much at heart.

Labored Long Hours at Night

When a man has risen from the ranks the public are interested in how he won success. In the case of Charles E. Edmonds, it is known that he labored long hours night after night over his books during the early period when Christie Brown & Co. were striving to build up their biscuit trade, and his faithful attention and devotion to duty won for him the affection and goodwill of William Christie. But other men have labored faithfully for their employers, and have done their particular work as well as human hands could perform the task at hand. But Charles Edmonds, while he struggled with the mass of figures that to others might have been only figures without meaning or any particular significance, saw in those figures the success or failure of the struggling biscuit company. Profit and loss meant to him success or failure. By his grasp of the situation. Edmonds was able to advise his employer when and how to economize, when he should spare the money for expansion, when to buy raw materials, and when to retrench, and thus avoid straining the then limited financial resources of the growing firm. His advice meant a great deal to the active driving power of the business, the late William Christie, and he consulted Edmonds on all financial matters, and promoted him to the position of secretary-treasurer. Charles E. Edmonds was a bookkeeper who had the ability to see the true significance of his figures, and this ability proved to be the stepping stone on which he later advanced to success.

Twice Christie Executor

Several interesting incidents show how thoroughly Charles E. Edmonds won the confidence and esteem of his employer. When the late William Christie, founder of the firm, was going on a trip around the world, which would necessitate his absence for a considerable period, Edmonds persuaded him to incorporate the company before he left, and the papers were rushed through within ten days, instead of the usual months. When William Christie died, he named Charles E. Edmonds as one of his executors. Later, when Major R. J. Christie died in 1926, Charles E. Edmonds was again named as executor, showing that he had the confidence of the Christie heirs. When the time came for the business to be sold, Charles E. Edmonds negotiated with the present owners, and so great was their confidence in his integrity that he was elected by them to the position of president. Thus a boy who came to Canada, without friends, won his way from the bottom to the top by merit, honesty and hard work.

Interest in Outside Activities

A good faithful employee makes a good citizen. Charles E. Edmonds has taken an interest in the welfare of his fellow-citizens. For many years he has been actively connected with church work. He has been president of the Methodist Union, and is now a trustee of the Central United Church. For years he has been interested in boys' welfare work, and was formerly president of the Broadview Boys' Fall Fair, the pioneer association of its kind in Canada, and the greatest in America. Besides being interested in welfare work of the city, he had taken a keen interest in the welfare of his fellow employees, and his company have now adopted what is known as the Employees Savings and Profit Sharing Fund, which provides for the care of employees when they are unable to continue their work. In addition to the contribution made by employees the firm contributes five per cent. of its net profits.

There is still opportunity in Canada for the faithful and diligent. Through the weary years Charles E. Edmonds thought that progress was slow. Twenty years passed, then thirty, then forty, but this faithful employee kept on doing his share of the work to make his company bigger and greater, and at last, after fifty years of honest service, his fellow directors fittingly honored him.

Independent Press Needed

(New Liskeard Speaker)

When one platform man, or newspaper man says a certain thing is black, and his opponent says the same thing is white, whom is one to believe? If there be anything in the motto "All extremes are false, the truth lies between," then we would suggest that it were better for one to pin one's faith to the moderate and thoughtful platform or newspaper publisher.

But the Independent press, no matter how fair in its criticism of public men, and the policies of the various political groups, is coming in for adverse criticism from all sides.

The Financial Post appreciates the situation to which we refer inasmuch as we are told through its columns that the Charlottetown Guardian classifies the Post as having "pronounced Liberal leanings," while the Toronto Star speaks of the same paper as a Conservative paper, and the Moncton Transcript calls it "ultra-Conservative."

For our part we believe an Independent press is what Canada needs, and the people of all shades of political leanings, should help the Independent journalist instead of injuring him by giving expression to adverse criticism on judgment hurriedly formed, and in the heat of an election contest.

The newspaper publisher who wishes to keep out of the "maelstrom" of party politics sure has his work cut out for him. But after all, it is the Independent vote which elects, and that is consoling.

The Financial Post is a very excellent newspaper, and deserves well of the people of Canada for the reason that its publishers are doing what they can to build up the country. On the staff are writers who hold diverse views in regard to political matters, it is but reasonable to assume, and sometimes these writers may express views favoring one of the political parties; but to be fair, one should follow the general trend of the newspaper before making the declaration that such paper is ultra-Grit or ultra-Tory.

As Others See Us

For Canada Day Idea

Hamilton Spectator: On July 1 next year Canada will be 60 years old. There is a movement, which has just started, to celebrate the occasion in a manner befitting the spirit under which the Dominion came to birth; in other words, that a national demonstration be held to stimulate the spirit of national unity. The suggestion comes from C. Harold Hale, managing editor of the Orillia Packet and Times, and is meeting support in other places. The proposal moves The Financial Post to make the enthusiastic comment well worth repetition: "If 10,000 beacon fires could send a burning message of provincial brotherhood from sea to sea and from hill-top to hill-top on July 1 next year and in the succeeding two days, it would indeed light a flame that would not easily die."

It is an idea for our patriotic organizations to consider. The Canadian Club, the service clubs, the chamber of commerce, the city corporation, all are interested in the unity of Canada. They can, if they will, foster the proposal among the branches of the organizations of which they are part, and can do much to make for the success of a national demonstration, not only in Hamilton, but throughout Canada.

Policies Over Men

St. Catharines Standard: The Financial Post declares that there are many candidates opposing each other where both cannot be elected and their services can ill be spared to the country. There are also cases where both candidates should be defeated. This is bound to ensue under our system of political representation. Men should not count, however, in a Dominion contest; policies and principles should have supremacy with the voter.

Experts Condemned C. P. R.

Glace Bay Gazette.—Canada's two outstanding authorities on railway economics being Prof. D. A. McGibbon, of the University of Alberta, and Prof. W. T. Jackman, of the University of Toronto, The Financial Post thinks "it is significant that both of these men consider the Hudson Bay Railway economically unsound." Prof. McGibbon condemned it in a public address in the West. Prof. Jackman is equally unsympathetic toward the scheme in his newly published and authoritative "Economics and Transportation.

The views of the experts would be more impressive did we not remember that experts, equally authoritative in their day, condemned the Canadian Pacific Railway project as economically unsound.

Request for full information concerning Alberta, with suitable illustrations, has been received by the provincial publicity bureau from the California council of education, which is revising its textbook, and wishes to include a generous reference to Alberta.

Dominion Telegraph Securities, Limited
(Successors to Dominion Telegraph Company)

5½ % Bonds
Due: February 2, 1978
Series "A" and "B"

Bought — Sold
Quoted

Inquiries Invited

Cochran, Hay & Co., Limited
TORONTO
Dominion Bank Bldg.
KITCHENER 83 King St. West
LONDON Dundas Building
LONDON, E.C. 2, ENG.
Gresham House-Old Broad St.

Investment Securities

THE Investor cannot be too careful in the choice of investments.

The recommendations of an established and reputable investment house are of invaluable assistance in making a wise decision.

Inquiries invited

R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO
Members Toronto Stock Exchange

Reports on British Columbia

Those who have investments in British Columbia and are uncertain as to their value are invited to consult with us.

Through the various departments of this institution we are in intimate contact with conditions throughout the province.

Pemberton & Son
Financial Agents
418 HOWE STREET
Vancouver, Canada

CANADA PERMANENT MORTGAGE CORPORATION
Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

FRIDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, August 18th, 1926.

Odd Amount Securities

Among the odd amount securities in our current list are those of some of the most outstanding Provinces, Municipalities and Corporations in Canada.

The amounts vary from one hundred dollars upward, and the maturities range from 1928 to 1966. The yields vary from 4.80% to 6.86%.

These securities afford a good opportunity to anyone desiring dependable investments with good yields.

Copy of list gladly sent on request

A. E. AMES & CO.
LIMITED

Investment Securities

53 KING STREET W. - TORONTO
TRANSPORTATION BLDG., MONTREAL
BELMONT HOUSE - VICTORIA, B.C.
LONDON BLDG., - VANCOUVER, B.C.
11 WALL STREET, - NEW YORK
GRESHAM HOUSE, OLD BROAD ST., LONDON, ENG.

Business Established 1889

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Ice-O-Matic

I hold shares in Ice-O-Matic and would like your opinion of same.

Ice-O-Matic is starting off with an excellent board of directors and good prospects. We think that as a shareholder you have a measurably satisfactory opportunity of profit.

Canadian Canners

Will Canadian Canners earn its preferred dividend this year and will the arrears be paid up inside of, say, the next year?

We do not expect Canadian Canners to increase their preferred dividends this year. The prospects are for a normal year with some increase in earnings and it would not be surprising if the preferred dividends were raised next year. There is hardly any likelihood of their paying off arrears within the next year or so, as the directors are likely to pursue a fairly conservative policy for a number of years yet.

This stock is a good long term purchase in our opinion.

Russian Bonds

What is the outlook for the Imperial Russian government external bonds that were sold in the United States and Canada in 1916?

The situation seems to be that if Russia is going to obtain recognition from the United States it will have to come to some arrangement regarding these bonds and the fact that such an arrangement is a possibility has maintained a certain market value for them.

Bond houses that were connected with this original flotation have been recommending to their clients that they hold their securities and that if they want to speculate, to purchase more bonds at the present price to average down the price of their holdings. We do not know that this would be wise but there would seem to be a certain good reason for holding the securities in the hope that the Soviet Government will be forced to give some measure of recognition to these bonds. Much depends upon the attitude of the United States.

Canadian Mortgage

Kingston—In regard to the proposed merger between Canada Mortgage Investment Co. and the Debentures and Securities Corporation of Canada, could you explain what is contemplated, and offer a suggestion as to the proposed exchange of shares?

In view of the conditions and the trend of developments in the mortgage loaning situation in Canada, we believe that the directors of the Canadian Mortgage Investment Co. are following a sound course in their proposal to transfer the assets of the company to the Debenture and Securities Corporation of Canada, which will carry on the business of an investment trust. The situation is that the smaller mortgage companies are finding that with rising rates for capital and declining rates on mortgage loans, together with government competition, and government interference by legislation, there is little profit to be made in the straight mortgage business. It is, therefore, proposed to invest in securities which promise a higher rate of return. With sound and conservative management, this should work out to the interest of the shareholders.

As to the various proposals submitted, the shareholder can choose between the shares and debentures, the latter providing the greater security and the former promising the higher rate of return.

Bethlehem Steel

I have $3,000 to invest, but as I expect to move to the United States soon, am considering putting it into some American security. What do you think of Bethlehem Steel preferred?

Bethlehem Steel Company's preferred stock may be regarded as a strong issue. Earnings fluctuate considerably but in the five years ending December 31 preferred dividends were earned more than two and a half times. Since then the amount of the issue has been considerably increased—now representing $100,000,000—but nevertheless in 1925 the earnings were sufficient to pay dividends on the new preferred issue twice over.

The stock is selling around 103¾ and, as it pays 7 per cent., the yield is about 6¾ per cent., which is satisfactory.

If you were to invest in Canadian securities you would not find any inconvenience as a result of moving to the United States. The larger Canadian securities are fairly well known in the United States and many of them are traded on the New York and curb markets.

Manufacturers' Finance

Recently you answered my inquiry regarding Manufacturers' Finance Corporation guaranteed investment receipts, but did not mention specifically the fact that these receipts are guaranteed, through an insurance company having insured re-payment of all the lien notes deposited as collateral. I should like your opinion of this insurance feature.

We feel that the insuring of these notes does add considerably to the safety and stability of this investment. The finance company gives up a portion of its profit in the form of insurance premium and gets in return assurance that its assets will not be seriously depleted by a succession of unfortunate losses on notes it discounts. By making the insurance payable to the trust company which is trustee for the investment receipts, the company passes this protection on to the investor in the security.

Nova Scotia Steel

F. B. C.—I am the holder of some debentures of the Nova Scotia Steel and Coal Co. Would you advise me to deposit these securities with the recently formed debenture holders protective committee.

The British Empire Steel Corporation has ninety days of grace before the bondholders may commence action to acquire the property of the Nova Scotia Steel and Coal Company. These ninety days have not yet expired and, while we have nothing definite to go on yet, we believe there is still a possibility that the interest arrears of the first mortgage bonds might be met before the expiration of this period.

There are some $5,000,000 of the first mortgage bonds outstanding; these bonds have a good equity in the property, for there are also outstanding, ranking junior to the bonds, an issue of almost $5,000,000 debentures and $1,000,000 in preferred stock.

In view of these facts, it seems to us that the bondholders are in a favorable position. If the interest payments are not met, the protective committees of the various issues upon which the British Empire Steel Corporation has defaulted will begin negotiations with the parent company to arrive at some basis of an agreement for a re-organization. In the case of the Nova Scotia Steel and Coal Company, it is the holders of the debentures and preferred stock who will have to do the worrying, and not the bondholders. The latter seem to have too large an equity in the property and in the event of the final non payment of all their claims, they could foreclose and acquire the property.

The present market for the bonds is around 45 to 47½. This places a valuation on the Nova Scotia Steel and Coal properties of less than $2,500,000, which seems rather ridiculous to us. Nevertheless this may be all that the property is worth from an earning, rather than a physical standpoint.

What the holders of the first mortgage bonds of the company have to worry about is simply whether or not the property has a saleable value of some $5,000,000. If it has—and this seems a low valuation to us—the bondholders must eventually fare satisfactorily. The Nova Scotia Steel and Coal Company could operate as a unit independent of Besco; but for the future, it would probably fare better if it continued to be associated with the other companies in this group. Therefore, perhaps, some concession must be made by the holders of some of the Nova Scotia Steel and Coal Company's securities, in order to remain within the group. But those who would make such sacrifices would probably be the holders of the junior securities.

If the defaulted Nova Scotia Steel and Coal Company's interest is not met within the next few weeks, the protective committees will commence to function actively. The plans of reorganization for Besco can only be formulated and put into action when the protective committees of the Dominion Iron and Steel Company and possibly the company in which you are interested, are ready to enter into negotiations with the parent organization.

As to the value of the physical assets and the earning power of this company, the property valuation at the time the bonds were first put on the market amounted to $14,000,000 and, immediately preceding the absorption into the Besco merger, these assets were carried on the books at over $24,000,000.

These figures indicate that the first mortgage bondholders certainly have the security of large fixed assets, but the earning power from these assets may be lacking.

Besco did not publish an annual report on this company until last year when "Scotia" showed an operating profit of $118,778 as against interest requirements of the issue which you hold of $261,008. Incidentally, in the income account there is shown the charge of over $600,000 for losses incurred through the strike which lasted some months, but which can not be counted an annual charge on earnings. It seems to us that, provided the company does not meet further labor trouble, it should be able to earn more each year than the rather modest interest requirements of the first mortgage issue in which you are interested.

The Greenshields Catalogue

The new 5th edition of the Greenshields Catalogue of 50 leading Canadian Securities.

A ready reference and reliable guide for careful investors, it gives all the authoritative and most recent information as to each security that a buyer would require. Invaluable in selecting a suitable medium for the employment of investment funds.

Copy will be mailed free on request.

Write for Catalogue 4

Greenshields & Co
17 St. John St., Montreal
also Mount Royal Hotel Building
TORONTO 14 King Street E.
OTTAWA 46 Elgin Street
QUEBEC 80 St. Peter Street
16

Small Investor Tells Why He Reads The Financial Post

Editor, The Financial Post:

"You will wonder why, with very little money to invest, I subscribe for The Financial Post. At the time the late Union Bank started to go down, we held ten shares. A slick broker happened along and persuaded us to sell and reinvest our money. He recommended Maple Leaf as a first-class investment at $121 per share. The Winnipeg papers do not publish Toronto stocks, so we had no way of knowing but that this price was all right. We lost nearly $500 on the deal, and if we had been taking The Post we would have saved the five hundred."

—A small investor in Western Canada.

Famous Players 6½% Bonds

Canada's largest theatre-owning company controls central real estate and buildings in leading cities throughout the Dominion.

Seven of its most important and most modern theatres — valued at more than $4,000,000—are specifically mortgaged to secure $1,140,000 6½% First & General Mortgage Bonds, due 1943.

Net earnings of Famous Players Canadian Corporation, Limited, after depreciation, for the past four years have averaged $397,628. For 1925, the earnings were $476,773. The annual interest requirement of the bonds now outstanding is only $74,100.

We recommend these bonds as a high-grade real estate mortgage investment, yielding about 6.40%.

Descriptive circular on request.

Royal Securities Corporation
LIMITED
164 St. James Street, Montreal
Toronto Halifax Saint John Quebec
Winnipeg Vancouver New York

A Group of Utilities

K.G.N., Quebec.—As an old subscriber to your paper, and as a director in a financial institution where we buy for the investment of trust funds only, I should like to obtain your opinion about investing in these public utilities: Quebec Railway, Light, Heat and Power Company; Quebec Power; Montreal Tramways; Montreal Water and Power; Southern Canada Power; Shawinigan Water and Power and Laurentide Power. In the past we have invested only in first mortgages and in bonds.

In the province of Quebec trust funds may only be invested in first mortgages on real estate and government, provincial and municipal bonds.

However, perhaps the funds which you have at your disposal do not come under the act, and, therefore, we deal briefly with each of the companies which you have named. In the first place you have picked an excellent list.

The Quebec Power Company is controlled by the Shawinigan Water and Power Company. The Quebec Power Company, in turn, is also a holding company and owns well over 90 per cent. of the stock of the Quebec Railway, Light, Heat and Power Company. The latter still exists as a separate entity, but its properties are united under the central management of Quebec "Power."

The Quebec Power has bonds and debenture stock outstanding. We believe that any of the senior securities of this company or its subsidiary are a safe investment. We would not, however, advise you to pick up any of the common stock of the Quebec Railway, Light, Heat and Power Company. You would do better to purchase the preferred or common shares of the parent company, namely, the Quebec Power Company. As the company operates under the aegis of Shawinigan, it is efficiently managed, and we believe that its common stock may, perhaps, show an appreciation over a term of years, but the common stock of Quebec Power is not as attractive to us as the common of Shawinigan.

Montreal Tramway is controlled jointly by Montreal "Power" and Shawinigan. Either its bonds or its stock make a safe investment. There is little speculative attraction in the common stock; nevertheless, over a term of years, indications point to increased market prices.

The Montreal Light, Heat and Power Consolidated has no bonds or other securities senior to its common stock. But the company is a holding company and some of its subsidiaries have bonds outstanding. The shares look to us to be a good investment. The shares have had a wonderful record, and thus the stock sells on a very low yield basis.

The Montreal Water and Power Company is another old-established and successful company, whose stock or whose bonds constitute a safe investment. At the present time, the shares are changing hands at a high level.

The Southern Canada Power bonds are an excellent safe investment; the value of its common stock lies in future earnings which will be obtained through the company's expansion programme, rather than in those which have been experienced in the past. In other words, the outlook for its future is decidedly better than excellent.

As for Shawinigan, we need hardly say anything, for the excellent assets and earning power behind its securities are so well known that very little comment is required. The shares in this company have great possibilities over a term of years and are an attractive purchase.

The Laurentide Power Company is a subsidiary of the big paper producer, the Laurentide Company. Its earnings since its inception have shown a moderate but a very steady and sure growth. Either its bonds or its shares are a safe investment.

All the foregoing are safe, sound and tried public utility companies. Broadly speaking, most of their securities are gilt-edged.

Unfortunately, you will find that most of the gilt-edged securities of the public utilities will probably sell on a yield basis too low for your requirements. You will probably be able to pick up some bonds with a suitable yield, but the price at which the common stocks change hands discounts the great possibilities of the future.

Stocks for Long Term Speculation

I would be glad if you could give me a list of, say, five or ten low-priced common shares which, in your opinion, offer a good prospect of appreciation in value in the next five years.

While it would be preferable to pick dividend-payers, if possible, I would be satisfied with non-dividend-paying, low-priced stocks providing the prospects are good for such stocks being on a dividend basis in the course of the next few years.

Do you consider Famous Players common, Viau Biscuit common, and Atlantic Sugar common, in this class?

The new common stock of no par value of the Montreal Light, Heat and Power Company looks decidedly attractive to us for a long pull. You could hardly do better than purchase some of this company's shares.

Then there is the common stock of the Asbestos Corporation. This, of course, is a speculative stock and pays no dividends. It is also a mining company, but we believe that over a term of years it stands an excellent chance of appreciating on the market.

The common stock of the Atlantic Sugar Refineries is speculative, of course, too. Perhaps, your client might be better advised to wait for some time before purchasing this stock and to watch the sugar situation closely. It will be some years before the company works back to a more satisfactory position.

Perhaps some of the common shares of the Power Corporation of Canada would interest your client. This is a holding company only, which controls several power companies and has a substantial interest in several others. Or again, the City of Winnipeg seems to be working back to a more satisfactory position and, over a term of years, the shares of the Winnipeg Electric Company will probably stage a satisfactory come-back. The latter is paying dividends at present on its common stock.

The common shares of the Calgary Power Company also show indications of increasing in value in the course of a few years.

The first preference stock of the Famous Players Canadian Corporation looks more attractive to us than the common. This stock pays 8% and sells on a high yield basis. The second preference shares of the Corporation are some years behind on their dividend payments and thus, we believe, there is too much ranking ahead of the common stock to make an attractive buy at the moment.

Price Brothers common stock should do well over a term of years provided the newsprint industry meets no serious setback.

The preferred stock of the Woods Manufacturing Company should also show an increase as the years go by.

Viau Biscuit Company should work into a stronger position and its common stock grow more valuable.

POST-Scripts

THE death of Rudolph Valentino has had no apparent effect on shares of United Artist Theatres Circulating Co. stock which handles moving pictures for independent producers and the Valentino pictures. The stock, which is an exceptionally slow mover in the market, sold on the New York Curb at $100 per share, which was unchanged from the last sale before "Rudie's" passing.

SIR HENRY THORNTON seems to have imbued his whole force with the idea that to get anywhere with the Canadian National Railways, the motto must be service. Some time ago a member of The Financial Post staff, traveling west, endeavored to mail back a bundle of papers from Nakina, the station where the Long Lac cut off joins the old Grand Trunk Pacific line in Northern Ontario. The post office was closed. The C.N.R. constable, John M. Hays, was approached. He was quite agreeable to taking the parcel and mailing it on the east bound train. It was well stamped, but as a margin of safety, the officer agreed that the parcel be registered and took the 25c. tendered to cover this cost. The parcel reached The Financial Post office o.k. and a few days later the following letter was received: "A passenger on the Winnipeg train handed me a parcel to register and 25c to cover cost. At the post office they informed me that it would cost 90c. to register it and therefore I took the liberty of insuring it. Cost of insurance was covered by stamps on the parcel and I am enclosing herewith the 25c. Signed John M. Hays, C.N.R. Constable."

"ORA PRO NOBIS" is the cry which ascends from the drivers of the bakery and dairy company wagons. These long suffering men not only deliver their employers' wares, but act also as the salesmen for their companies. As such they come in contact with the hardest buyers in the world—women. Because these men are salesmen they play an important role in the merchandising plans of all the corporations engaged in these businesses. Hence it is that many of the chief executives in the baking and dairy industry to-day well recall the time when they, too, incurred the many troubles and tribulations which cannot help but accrue to those who do business with women and women only.

Thus, almost any dairy man can tell many interesting yarns of the difficulties which are encountered and surmounted by the delivery man. Like the policeman of Gilbert and Sullivan fame, the lot of the milkman is not a happy one. But like any other job of work, it has its compensations.

These compensations, though, are not always of a monetary character and there is many a man who stays on his job for compensations of the spirit rather than of the flesh.

How these compensations of the spirit are obtained is told by one of the leading executives of a Canadian baking corporation, who, in his younger days, took many a rude rebuff over the quality of the bread, which he delivered. He declared that the chief bane of the baker's man is the fact that many times daily he climbs a long flight of stairs with his bread, only to be told by the good housewife to return to his wagon and bring up a loaf of a better appearance.

This executive says, but not to his present drivers, that this occurred with him on an average of three or four times a day and that he made it his invariable practice to run whistling down the steps, throw the loaf in his wagon, seize the same loaf, then slam his wagon door, and run up the steps again to the woman who usually thanked him by saying, "Fine, why didn't you bring that one the first time?"

Yes, a hard life always carries with it its compensations.

Make the Most of Your Savings

The full benefit of thrift is received only when savings are utilized to best advantage.

Canadian Government, Municipal and Corporation Bonds adequately safeguard the principal and provide an annual return of from 4¾% to 6¼%. Whether the amount for investment is small or large, suitable bonds are available.

Copy of our new Bond List, with suggestions to meet individual requirements, will be gladly furnished upon request.

36 King Street West,
Toronto.
Telephone: Elgin 4321

Wood, Gundy & Company
Limited

$60 a Year From Each of These High-Grade Bonds

Although there is a tendency on the part of many investors to purchase Bonds only at or below par very few high-grade issues carrying a 6% coupon are now obtainable except at a premium.

As we frequently receive requests for offerings of such issues, we show below nine Bonds which bear our recommendation and which have been selected from our current list:—

Issue	Due	Approx. Price	Approx. Yield
*†Government of Argentine (External)	1958	99.25	6.05%
*†Kingdom of Norway (External)......	1944	101.00	5.90%
*†Baltimore & Ohio Railroad.........	1995	107.25	5.58%
†Duke-Price Power Company.........	1966	103.25	5.80%
*†New York Steam Corporation.......	1947	103.50	5.71%
†Belgo Canadian Paper Company....	1943	101.00	5.90%
Ogilvie Flour Mills Company.........	1932	103.00	5.41%
Paton Manufacturing Company.....	1953	102.00	5.85%
†Price Bros. & Company............	1943	104.00	5.63%

* Listed on the New York Stock Exchange.
† Principal and Interest payable in New York Funds.

The above bonds are offered subject to prior sale and change in price. Complete information regarding any issue and a copy of the September edition of our monthly publication "Investment Securities", which contains a more complete list of our recommendations, will be forwarded upon request.

Write our nearest office

The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO
204 Blackburn Building OTTAWA
71 St. Peter Street QUEBEC
154

Hamilton Dairy Stock Issue Coming Shortly

Financing of another dairy merger is forecast by announcement from Hamilton that a strong group of Hamilton business men has consolidated five of the outstanding concerns of the city under one management. The dairies purchased are the Hamilton Dairy, Wentworth Dairy, Bonny Bank Dairy, Cloverdale-Brant Ice Cream and Dairy Co. (a recent merger of two dairies) and the Caledonia Creameries, operating two creameries, one at Caledonia, and Jarvis, Ontario.

This will give the new company, to be known as the Hamilton Dairy, the largest retail distribution of milk, cream, ice cream and butter, in the city of Hamilton, with over 80 routes in operation.

The two creameries have an annual output of approximately 4,000,000 lbs. of butter per year, which will just about take care of the requirements of the new company.

The new company will have a capital of about $1,500,000 preferred and common stock, and an offering will be made shortly.

Wentworth Building Bonds $450,000 to be Offered

Another week will likely see the offering of $450,000 of first mortgage bonds of Wentworth Realty Company. The bonds are being issued in connection with the construction of a new 10-story office building in Hamilton, to be known as the Wentworth Building.

The site of the new building is on Main Street, across from the Wentworth Arms, regarded as an excellent location for an office building. Hamilton capital is backing the undertaking.

Prompt Over-Subscription Greeted Terminal Issue

Financing of Montreal Rail and Water Terminals in New York, announced in last week's issue, went off very satisfactorily and the issue was over-subscribed on the day it was brought out.

Three million of first mortgage bonds were placed by the White, Weld & Co. syndicate, who also sold $600,000 of general mortgage bonds in England. The $200,000 of debentures are not being distributed to the public nor are the preferred and common stocks, portions of which went to the Canadian Pacific Railway, in exchange for the site in Montreal.

Particulars of the financing follow:

$3,000,000
Montreal Rail and Water Terminals

First (closed) mortgage, 6½ per cent. sinking fund gold bonds. Dated Aug. 1, 1926. Due August 1, 1951.

Property—Ten story warehouse in Montreal; 450,000 sq. ft. dry storage; 150,000 sq. ft. cold storage.
Assets—Reproduction cost valuation, $4,532,363.
Earnings—Estimated for third year of operation at $685,000 net.
Security—First closed mortgage on all assets.
Sinking Fund — Commencing 1931, estimated sufficient to retire issue by maturity.

Capitalization	Authorized	Issued
First mortgage bonds.	$3,000,000	$3,000,000
Genl. mtge. 7%, 1946..	600,000	600,000
7% deb., 1956.........	200,000	200,000
7% cum. pref. shares.	2,000,000	600,000
Com. shares, no par...	200,000	200,000

Offered—August, 1926, by White, Weld & Company and Blyth, Witte & Co., New York. Price par.

Bloor Building Bonds Sell Well

Over 65 per cent. of the $650,000 Bloor Building 7 per cent. bonds, guaranteed by the United Bond Co., have been sold. It is understood also that space in the building has been all rented. The bonds were sold by United Bond Co., of Windsor and Toronto.

September Dividend Payments

SEPTEMBER DIVIDEND PAYMENTS

Dividends	$9,321,411
Bond Interest	15,200,808
	$24,522,219

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
B. C. Fishing	1¼q	10	$53,647
Belding Cort. pref.	1¾q	15	15,143
Brazilian Tr. com.	1¼q	1	1,332,295
Canada Paper, pref.....	1¾q	1	21,875
Canada Bread, com....	$2.50s	1	62,500
Can. Bakeries, 1st pref...	1¾q	15	17,500
Cons. Rubber, pref.....	1¾q	30	52,500
Cosgrave Brew.	1¼q	15	12,500
Confederation Life	5q	30	5,000
Crow's Nest Coal	1½q	1	93,189
Dominion Life	4q	30	8,000
Dom. Radiator, pref....	1¾q	1	27,097
East. Koot. Pr. pref.....	1¾q	15	13,125
Famous Players 1st pref...	2q	1	83,000
Hollinger Mines	2m	9	432,000
Imperial Oil	25cq	1	1,627,881
Inter. Milling, pref.....	1¾q	1	40,761
Inter. Nickel, com......	50cq	30	836,692
Imperial Tobacco, com.	1½q	30	484,149
Do. pref.	3s	30	240,900
Keeley Mines	8+4s	15	240,000
Lake Shore Mines.......	10q	15	200,000
Lake of Woods, com.......	3q	1	105,000
Do. pref.	1¾q	1	26,250
Loblaw Groceter. com.	25cq	1	18,000
Do. prior pref.	1¾q	1	9,359
Do., 2nd pref.	3q	1	7,110
London Life	4q	30	4,000
McIntyre Mines	5q	1	199,500
Montreal Cottons, com..	1½q	15	45,000
Do. pref.	1¾q	15	52,500
Montreal Loan	3q	15	18,000
N. B. Power, 1st pref.	1¾q	1	17,500
Ogilvie Flour, pref.....	1¾q	1	35,000
Ottawa & Hull Pr. pref.	1¾q	15	26,250
Port Hope Sanitary pref.	1¾q	1	4,364
Royal Trust	4q	30	40,000
Sher. Williams, com. ..	1½q	30	60,000
Do. pref.	1¾q	30	60,112
Viau Biscuit, 1st pref...	1¾q	1	17,500
West. Grocers, new pfd.	1¾q	15	20,899
West. Can. Flour, com.	35cq	15	30,187
Do. pref.	1⅝q	15	40,625
			$6,736,910
Banks			
Can. Nationale	2½q	1	137,500
Commerce	3q	1	600,000
Montreal	3q	1	897,501
Provincial	2¼q	1	67,500
Royal	3q	1	732,000
Toronto	3q	1	150,000
			$2,584,501

s—Half-yearly. q—Quarterly. m—Monthly.

Bond Interest Due in September

Company—	Rate	Due	Amount
Abitibi Paper	8	1931	$133,604
Algoma Central Rly. ..	6	1964	9,564
Bell Telephone	5	1955	750,000
B. C. Electric	4¼	Perp.	304,258
Brand-Henderson	6	1939	25,770
Brompton Pulp	6	1939	23,667
Can. Bakeries	6½	1945	26,000
Can. Salt	6	1934	8,640
Can. St'l Foundries ..	6	1936	48,255
Can. Wm. Rogers	6	Serial	4,500
Dom. Sewer Pipe.....	6	1927	669
Dom. Textile	6	1949	155,160
Dunlop Tire	6	1927	3,258
Elec. Develop.	5	1933	229,375
Fraser Co.'s	8	1941	75,160
Hillcrest Collieries ..	5	1940	8,125
Inter. Paper	6	1955	675,000
King Ed. Hotel	7	1944	35,000
Lake Sup. Paper	6	1941	125,418
Manitoulin N. Sh. Rly.	5	1961	62,500
Mexico Tramways	5	1956	257,450
Montreal Pub. Ser. ...	5	1942	78,812
N. B. Power	5	1937	45,700
N. S. Clay	6	1930	1,782
Ottawa L. H. & Pr...	6	1953	19,500
Ottawa Gas	6	1939	22,875
Quebec (Province) ..	4½	1950	112,500
Que.-New Eng. Hydro	5	1942	74,200
Robin, Jones & Whit.	6	1930	5,768
South. Can. Pr........	6	1948	136,125
Provincial L. H.	5	1946	29,550
Span. River Pulp.....	6	Ser.	32,340
St. Law. Paper.......	6½	1944	81,250
Do.	6	1945	27,000
West. Koot. Pr.	6	1940	30,366
Corporation Bonds			3,659,136
War Loan	5	1937	2,254,172
Victory Refunding ...	4½	1940	1,687,500
Dom. Notes (1-yr.)...	4	1926	1,400,000
Municipal			x3,400,000
Provincial			x2,800,000
			$15,200,808

xThis figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.

News of Investment Markets

"STEAMERS" MAKES READY FOR LARGE NEW BOND ISSUE

Common Shares Change Hands at High Level

From Our Own Correspondent

MONTREAL. — While there has been a general and satisfactory improvement in the position of the Canada Steamship Lines, nevertheless it seems unlikely that the position of the company has been bettered to the extent exhibited by the recent rise in the common shares. If all goes well with the company—and everything indicates that it will—the common stock will one day be worth considerably more than present market levels. Yet there has arisen a feeling among many that present prices are discounting as fully as possible the bettered outlook for the future.

However, the recent marked strength in the common stock may be due, not so much to the demand, as a sympathetic movement well in keeping with the general all round strength in stock market prices.

It was but natural that the preferred share of "Steamers" should have changed hands at much higher levels, but the two classes of stock are in such different categories that they are not comparable.

Dividends Are Far Away

Dividends on the common stock seem to be many years away. This is a natural assumption in view of the statements made by W. H. Coverdale, the president of the company, at the time the compromise on the dividend arrears was arranged with the preferred shareholders. Then, too, the record of the Coverdale regime is one of able, constructive and conservative management, not one that would be likely to commence dividend payments on any class of security until there existed every likelihood of the continuity of such payments.

Thus it may be anticipated that during the next few years, "Steamers" record will be one of continually ploughing back earnings into assets. Anything which the company might receive in payment for war reparation claims, or from the city of Toronto in connection with the expropriation of its property, will probably straightway be ploughed back into property account in order to build up the property in such a way that its shares may become, not a speculation, but an investment.

Earnings Are Satisfactory

This is still far in the future. Earnings this year to date are quite satisfactory, but the company, like other transportation companies in this country, depends on the autumn grain movement for the butter on its bread, or in other words, earnings over and above operating charges. At the present time it is impossible to make any forecasts about the results which will be seen in the income account at the close of the year's business.

Of course, the present price of "Steamers" common may prove by the end of the year to have been justified, for when all is said and done, the price of a stock never depends on dividends, but on earnings. So that the present buying of the common stock is based on pure speculation about the earnings on the traffic which the company will carry this autumn. Like other speculations it may—and then, again, it may not—prove to have been justified.

In the meantime, about the only thing upon which the investor has to go on is the knowledge that there are those intimately acquainted with the operations of "Steamers" who feel that the present prices at which the common stock is changing hands are too optimistic; but fundamental considerations never yet prevented a stock moving into higher ground and never will.

New Financing Progresses

Good progress is being made in the company's refinancing plans. Formal notice has been issued of the intention to redeem all the 20 year, first mortgage collateral, sinking fund, 7 per cent. bonds on November 1. The authorized amount of this issue was $6,000,000 and $895,800 was redeemed by the sinking fund up to the beginning of this year.

The 5 per cent. first mortgage debentures will be redeemed at the same date at 105 with accrued interest; interest on the coupons will cease after November 1.

The redemption of these bonds will leave the way clear for the big new bond issue which will refund the two issues, which are being called, and which will finance the purchase of the fleets of the Great Lakes Transportation Lines and the George Hall Coal and Shipping Company. It is expected that the new bond issue will be floated simultaneously in Canada and the United States. The issue will probably be the largest wholely Canadian financing undertaken this year.

South American Bond Issues Come on Canadian Market

As one bond issue after another crowds upon the New York investment market from South American Republics, the interest of Canadian investors in these issues grows. A number of Canadian investment houses make it a practice to get for their clients a few bonds of each good foreign issue brought out, and as South America now occupies the centre of the stage, Canadian investors are learning things about Argentine, Peru, Brazil, Antioquia and other countries and districts that they never knew before.

Excellent yields are offered. The $16,000,000 Peru issue this week yielded 7½ per cent. to the investor and had two particularly strong points in a lien on certain diversified revenues and a sinking fund sufficient to retire the entire issue by maturity.

Further South American financing on a large scale is expected this fall. Chile wants more money; Argentina, which has proven popular, has further financial needs; Colombia will borrow in the fall; Ecuador, Guatemala, Nicaragua and Honduras would all like to borrow.

"Five years ago the Canadian bond market was provincial in its outlook. You could not sell a foreign bond to the Canadian investor, and few of them bought corporation issues," said a bond man this week. "We're getting more like the English every day, and are acquiring a world outlook on investing.

"These South American republics, when you begin to look into their affairs, show up very favorably. Their records are good, and some of them, notably Argentine, offer security that compares favorably with that back of Canadian government loans."

U. S. Mortgage Bond Earned 12% in Half Year

The United States Mortgage Bond Company, Ltd., which is under the same management and control as the United Bond Company, Ltd., of Windsor and Toronto, has just issued its statement for the six months ending June 30, 1926, closing a very successful half year.

Earnings, after more than ample transfers to reserve accounts, were equal to over 12 per cent. on the Company's stock, or at the rate of 24 per cent. per annum. Total assets are now over $13,000,000, and the total of surplus and reserve accounts is almost equal to the company's paid up capital, being over $500,000.

The company's million-dollar building in Detroit has, it is declared, turned out a particularly valuable asset.

Superior Paper Mills Goes to Public With Stock Issue

The Superior Paper Mills, Limited, Thorold, is offering, direct to the public, $100,000 of its capital stock at par, $100. The company has no bonds or preferred stock, and the capital of $250,000 is the only charge against profits. A total of $50,000 of stock has been subscribed for at par by the officials of the company and their friends. The $100,000 stock is being offered without commission or discount.

Buildings now under construction are about 85 per cent. completed, and full machinery equipment, which is on the ground ready for installation, has been paid for.

The company will specialize in light-weight specialty paper, including pattern tissue and twisting tissues, two grades of paper that are not being manufactured in Canada. That there is a market for these classes of paper is demonstrated by the fact that the company's entire output is sold already.

Offer Realty Bonds

MONTREAL.—As announced in these columns last week, formal offering was made this week of $275,000 6½ per cent., sinking fund bonds of the St. Catherine Street Realty Corporation. The bonds constitute a mortgage on a block of buildings presently being erected in the heart of Montreal's retail shopping section.

Joins Bond House

MONTREAL.—Everett Dwyer, a son of the well known Montreal grain man, has become associated with the investment house of Williams, Partridge and Hodgson.

Bits About Bonds

Dillon, Read & Company, who recently headed a syndicate which sold in the American market $35,000,000 United States of Brazil 6½ per cent. external sinking fund gold bonds, have announced the call for redemption of $300,000 of these bonds. This represents the first sinking fund operation as provided in the Brazilian loan contract. Bonds so called were designated by lot. They consist of 286 bonds of $1,000 denomination and 28 of $500 denomination.

The bonds designated for redemption are payable October 1 at the office of Dillon, Read & Company, sinking fund trustee. They will be paid at 100 against the issue price of 90, the redemption thus representing an aggregate profit of $30,000 in less than six years to the holders whose bonds are to be redeemed.

Settlement Costs Canada $1,500,000 Every Year

If parliament approves the new Grand Trunk Pacific debenture settlement, the Canadian National Railways will have its fixed charges increased by approximately $1,500,000 for a considerable term of years. This represents annual interest charges at the rate of 2 per cent. on $34,879,252.88 outstanding stock and 2 per cent. additional for a sinking fund to redeem the stock.

In the past Canada has refused to admit any value for the stock, although it has had a substantial market value in London based, first on its "nuisance value"; second on the possibility of some interest being earned; and third, on the prospects of a settlement such as has now been brought about.

The settlement is as follows:

1. 2 per cent. interest to be paid annually.
2. Sinking fund to be set up from additional payments of two per cent. annually.
3. Stock to be redeemed from sinking funds by trade during the next ten years, offers of stock to be made at not less than 60 and not more than 100. After that stock to be redeemed by drawings at par.

Ontario Steel Extends to Handle Bumper Trade

The Ontario Steel Products Company, Limited, is enlarging its spring plant, which will give the company an increased production. The company's plant at Chatham is busily engaged producing "bumpers" and the management is confident that this new line of business will prove to be a profitable one in due course. Plants are understood to be well occupied at the present time and it is stated that any further betterment in business conditions will mean added business for the organization.

Gosse Packing Company, Limited
7% Cumulative Redeemable Sinking Fund Preferred Shares carrying a bonus of One Share Common with each Five Shares Preferred.
Price: Par and accrued dividend yielding 7%.
Fully descriptive circular upon request.
MATTHEWS & COMPANY
LIMITED
Bond Dealers
255 Bay St., Toronto

DOMINION POWER
PREFERRED AND COMMON
Bought and Sold
Browning, Harris, Denman & Co.
LIMITED
Investment Bankers,
31 Main Street E., HAMILTON
Toronto Private Line Adel. 3365.
Offices at London and Belleville.

BONDS FOR INVESTMENT
HOUSSER, WOOD & CO.
LIMITED
Investment Bankers
ROYAL BANK BLDG. TORONTO

QUEBEC APARTMENTS LIMITED
6½% 1st Mortgage Bonds
1940
Inquiries Solicited
Ernest Savard, Limited
Investment Bankers
171 St. James St., Montreal, Harbor 5359-9
71 St. Peter St., Quebec, Phone 2-4484.

F. H. Blakely & Company
Investment Securities
Northern Ontario Bldg.
Toronto

ROBERTS, CAMERON & CO.
LIMITED,
Canadian Government and Municipal Bonds
Listed Stocks.
Adelaide 3486-7-8.
Northern Ontario Bldg., TORONTO.

MURRAY & COMPANY
Specializing in
Government Municipal and Corporation Bonds
METROPOLITAN BLDG.
ADELAIDE 6077-78 TORONTO

P. H. SKELLY & COMPANY
LIMITED
INVESTMENT SECURITIES
71½ SPARKS ST.
OTTAWA, ONT.
QUEEN 6840 QUEEN 6841

We offer
City of Edmonton
5½% Bonds
Due Nov. 1st, 1945
Interest payable
May 1st and Nov. 1st
Principal and interest payable Canada and New York
Price: 101⅜ and interest yielding 5.39%
McDonagh, Somers & Co.
Government and Municipal Bonds
Dominion Bank Bldg.
TORONTO

EXECUTORS, TRUSTEES, ADMINISTRATORS
Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
Real Estate Department
CHARTERED TRUST & Executor Company
46 King St. W., Toronto

GOVERNMENT and MUNICIPAL BONDS
W. L. McKINNON & Co.
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO

We recommend
PUBLIC UTILITY BONDS
Send for our Selected List
Browne, Urquhart & Co.
Limited,
180 St. James St. Montreal
Tel. Main 8011*.

THE SAFEST FORM OF INVESTMENT
WITH 5½% The National Debenture Corporation, Ltd., offers you an absolutely safe and profitable investment secured 105% by Trustee Securities under the laws of the Province of Ontario.
Consult your local dealer and Write us for particulars.
G·A·STIMSON & Co.
LIMITED EST. 1883
The Oldest Bond House in Canada
300 BAY ST. TORONTO

MORTGAGE LOANS
Funds available for Loans on the security of improved Farm Lands
OSLER, HAMMOND & NANTON LIMITED
WINNIPEG
Representing:
Law Union and Rock Insurance Co. Ltd..
North of Scotland Canadian Mortgage Co. Ltd.
Osler & Nanton Trust Company.
The Dominion and General Trust Limited.

WE will shortly offer to our clients and for public subscription —
UNUSUALLY ATTRACTIVE
Short-term Bond
yielding **7%** and carrying
Bonus of Common Stock
Descriptive circular may be had on request, without obligation.

Kindly send me full particulars about the above issue.
*Name*________________
*Address*________________

ESTABLISHED 1910
CREDIT-CANADA
Limitée
Investment Bankers
120 St. James St., Montreal
MAIN 4191★

MUIRHEAD'S Cafeterias

—an outstanding success

The tremendous popularity of Muirhead's Cafeterias has placed this Company in splendid financial shape, with profits averaging $56,000 yearly for the past six years. There is a growing demand for good cafeterias. The prospects for the future are excellent in every way.

To provide for expansion, an issue of 7½% Preferred Shares is being offered. Par value $10 per share. With every ten shares there is given a bonus of one share of common stock (no par value). A splendid new Cafeteria is being erected on Adelaide St. Based on the earnings of the present establishments, future earnings should be more than three times that required for Preferred Share dividends, leaving a substantial margin for profit on the common stock.

Send for full particulars.

Gairdner & Co.
Limited
312 BAY STREET - TORONTO 2, ONT.

ASK "MOUNTIES" BE PUT ON TRACK OF STOCK CROOKS

(Continued from page 1)

sented the president and had been sent to tell her that it would be necessary for her to put up an additional $1,500 to protect her present investment of $2,000 in the company or lose everything that she had put in. She turned over stock certificates, and $1,100, all the money she had in the world, and never heard from the men again.

In another case, a baker in the Maritime provinces, a man obviously of some business experience fell for an equally specious story. He was told that his preferred stock was being exchanged by the company for common stock, which would be redeemed in the fall at a big profit. It would be necessary to have his stock to facilitate the transfer, it was stated, and he handed it over — $5,500 worth, representing his entire capital. He has never seen his stock since nor the crooks who fleeced him. They were across the border before the police machinery started to move.

The Financial Post has been handed private detective reports on cases of serious fraud where no one has been punished. For instance, one group of stock crooks purchased shares of the capital stock of Skead Gold Mines for two or three cents a share; went to shareholders of a financial institution and bought back their financial shares at a good profit, paying for them in Skead Gold stock at the rate of 25 cents a share. Even if they dumped the financial institution's stock on the market at half of the price they ostensibly paid for it, they would have a profit of several hundred per cent. on their Skead Gold stock.

In another case, a gang of such thieves bought Algoma Steel debentures on the street at around 40 cents on the dollar and traded them out to investors for other stocks, at par.

It is very difficult for any individual company attempting to protect its shareholders to do anything. Besides adopting the safeguard of rapid movement from place to place and in and out of the country, these men use the additional system of working in pairs. This means that if a shareholder makes a charge against these men there are two witnesses to swear against his evidence and the crooks can lie as well as they can steal.

Operations of the stock crooks are far flung. Recently, at the annual meeting of a large Quebec corporation, the president stated that the similar operations were being carried out in connection with the preferred shares of his company.

Examples such as this could be multiplied manifold from the records of most new Canadian companies.

All Investors Lose Out

The dirty work affects all investors, not only those who are defrauded directly. The stock taken from investors by these people eventually finds its way on the market through one source and another. It is offered at low prices and upsets the market for good securities, making it difficult for the investor in a new company, that has not yet established its stocks on the market, to get a good price for his security when he is forced to sell. In this respect the result is akin to the result when goods are smuggled, for these are also thrown on the market at prices that upset legitimate values.

Five hundred and two horses have been purchased in Alberta, 520 in Saskatchewan, and 13 in British Columbia, for the Russian government, the Dominion government guaranteeing payment. They averaged 1,150 pounds. The price was $30 each as paid to the farmers and ranchers.

Municipal and Provincial Finance

SEVERAL ONTARIO CENTRES IGNORE TAXING INCOMES

Municipal Levy on Personal Revenues Not Uniformly Made

City Manager C. N. R. Fulley, of Chatham, Ont., has made a report on the municipal income tax in Ontario, which shows that the income tax is being levied in some centres and ignored in others.

Reports from various cities are summarized as follows:

Hamilton

The municipal income tax collection is reported to be fairly satisfactory. The council makes a special effort to collect the tax. Fair success attends these efforts. There is a bylaw under section 19A of the assessment act. The effect of the enforcement of the bylaw is good. A committee of the city council is considering asking the legislature to amend the act but nothing definite either way is yet decided.

Peterborough

The municipal income tax collection in this city is satisfactory; special efforts are made to check up evaders; these efforts are successful. There is no bylaw compelling declarations regarding income. The city council does not desire abolishing the tax.

London, Ont.

The municipal income tax collection is satisfactory in London. The city council does not make any special effort to check up evaders, this being left to the assessment commissioners. There is a bylaw compelling all residents to make declarations regarding incomes under penalty of a fine.

The enforcement of this bylaw gives the assessor of London the needed power so that a person has not the excuse that he was not requested to make a return. London is not in favor of abolishing the income tax because the amount of money raised now by this means will have to be raised by a tax on real estate instead. The sending out of requests by the assessor for returns does not relieve a person from making a return who is not sent a notice.

The municipal income tax has been imposed for 50 years without objection until the Dominion income act, a war measure, was imposed. Recommends a uniform per cent. rate for income such as three per cent. or four per cent. and all cities and townships collect the rate based on the income made in the year assessed. If collected in the year it is assessed, an improvement would be noticed.

Woodstock, Ont.

It is stated that the municipal income tax collection in this city is not satisfactory. The council does not make any effort to check up evaders, this being left to the assessor. Until this year the assessor overlooked his duty to collect this tax. There is no bylaw. The council does not favor abolishing tax unless some satisfactory substitute is provided.

Toronto, Ont.

This city reports that the municipal income tax on the whole is satisfactory. The city has a special branch department for following up business and income taxes. This department resorts to bailiffs and lawsuits when necessary. These efforts have brought results.

There is a bylaw requiring citizens to make returns under penalty of fine for non-compliance. The assessor also sends out returns. The city council of Toronto is not agreeable to exemption of income tax assessment by municipalities because three per cent. of its revenue is received through that source.

St. Catharines

This city does not favor just now abolishing the income tax but advocates a study of the whole tax question in a thorough manner. The income tax collections are considered satisfactory. The tax office and assessment department makes every effort to check up evaders, these efforts are successful. There is a bylaw compelling all residents to make declarations regarding incomes when they do not receive a form from the assessment department.

Kingston, Ont.

The municipal income tax collection is said to be satisfactory in this city. The checking up of evaders is left to the assessment commissioner. There is no bylaw compelling declarations. The city council is not in favor of abolishing the income tax.

Guelph

This city states the municipal income tax is satisfactory but not perfect. The council leaves the checking up of the evaders to the assessment commissioner, there being no bylaw compelling returns to be made. The council is not in favor of abolishing the tax.

Belleville

This city states that it collects nearly 100 per cent. of its municipal income tax and that the tax is satisfactory. The checking up of evaders is left to the tax collector, there being no special bylaw requiring citizens to make returns. The city council would not join in petitioning the legislature to abolish the income tax because an increase in tax rate would be necessary, payable by real estate which would include taxing homes owned by laboring men who would therefore pay more in taxes than they now do.

Ford

No reply received but press reports state not in favor of municipal income tax and desire legislature to abolish the tax.

Windsor

No reply received but press reports state this city very much opposed to municipal income tax.

CANADIANS MAY SOON SUPPLY OWN CAPITAL

Trend is for Independence from Foreign Investment Markets

"The day may not be far distant when Canadians may take care of practically all of their own financing," says "Investment Securities," published by National City Company, Limited.

"There has been a trend toward declining borrowings, together with a growing tendency for Canadians themselves to supply such borrowed capital. The trend in this direction is clearly brought out by the following table:

Distribution of Canadian Bond Issues, 1913-1926
(Figures shown are in thousands of dollars)

	Total Sales	Sold in Canada	Sold in U.S.	Sold in United Kingdom
1913	373,795	45,604	50,721	277,471
1914	272,935	33,000	53,945	185,991
1915	335,106	114,275	178,606	41,175
1916	356,883	102,939	206,944	5,000
1917	726,039	546,331	174,708	5,000
1918	775,356	727,446	33,310	14,600
1919	909,937	705,385	199,447	5,105
1920	324,915	101,830	223,084	......
1921	403,591	213,327	178,114	12,151
1922	492,397	250,185	242,212	......
1923	514,818	427,869	81,517	2,432
1924	579,926	336,759	239,544	3,622
1925	483,533	271,251	181,870	30,412
1926*	263,868	113,918	149,950	......

*Five months ended May.

"It is not possible to obtain any very clear indication of the extent of the money paid annually to Canadians from their investments abroad, but it is certain that the income from this source, which is included in the 'invisible exports' of a nation, is very considerable, and forms a very sure additional income which is usually independent of domestic trade conditions. Indeed, this particular source of revenue is a strong bulwark in times of trade depression, as has been very evident in Great Britain in the war years, and the subsequent readjustment period.

"We in Canada are inclined at times to be impatient with our apparently slow national development, but facts and figures do not substantiate any view other than that Canada has progressed and is progressing at a satisfactory rate, with extremely bright prospects for continued expansion along sound lines. Taking a broad view, we may congratulate ourselves that our forward march is gradual, allowing time for proper correctives to be applied as we find ourselves heading in a wrong direction, and avoiding the more pronounced reverses which so often accompany too rapid expansion.

"We have, of course, problems, very serious problems, which require that we should devote thought and energy to their solution. In this each individual can take his part by realizing that our national prosperity is the surest guarantee of his own well-being, by applying this policy in his own business, and by electing, as he will soon have the opportunity to do, the proper persons to guide the country in the course that will prove most beneficial to the country as a whole rather than to satisfy the demands of any particular section. A nation builds up a national character possessing certain ideals and a distinct moral code, and such a character is perhaps its greatest asset, just as it is with an individual. In an age of so-called materialism, when the lure of immediate commercial prosperity is strong, we must take heed that we do not jeopardize something beyond price—our heritage of high ideals, self respect and independence, born of fair government for the common weal."

Bank Debits for Year Gain Nearly Two Billions

Bank debits in July were nearly 8 per cent. greater than in the corresponding month of either 1925 or 1924, and exceeded any of the preceding months of the present year, except April and June. When correction is made for seasonal tendencies, the debits in July were less than in any other month of the present year, with the exception of May. The total in July, as reported to the Dominion Bureau of Statistics by the Canadian Bankers' Association, was $2,424,000,000, as compared with $2,248,000,000 in July, 1925, an increase of $176,000,000, or 8 per cent. The debits in July, when adjusted for seasonal variation, show a decline of 9 per cent. from June and an increase of 7 per cent. over May.

Bank clearings in July were $1,444,014,544, as compared with $1,330,759,511 in the corresponding month of 1925, an increase of 9 per cent.

The debits for the first seven months of 1926 amounted to $16,965,000,000, as compared with $15,061,000,000 in the corresponding period of 1925, an increase of nearly 13 per cent. The greatest gain was attained in the province of Quebec, where the increase was 16 per cent. The advances in Ontario and British Columbia were each about 15 per cent. The gain in the Maritime Provinces was 13 per cent., while the more moderate increase of 4 per cent.

British Columbia Assessments Getting Down to Right Levels

The assessment problem of British Columbia is finding its own solution, declares Robert Baird, inspector of municipalities, in his annual report, now printed.

Mr. Baird says:

"The financial resources of the municipalities appear to have received careful attention and there are few cases where new liabilities have been incurred during the past year without a careful consideration. There is a slight increase in the total of debenture liability, but certainly not more than proportionate to the development which is taking place in the province. During the past decade there has been comparatively little of new municipal borrowing in this province, but this situation necessarily cannot continue indefinitely.

"The assessment problem which has for the past few years been troublesome is, I think, finding its own solution. A good deal of difficulty was experienced in bringing unimproved property down from the high figures which it once carried. The land not being required for any purpose and being temporarily unsaleable, it was difficult to fix any value upon it. A very considerable reduction in the assessed value of such property was necessary in a number of municipalities, and it will be some time before the assessments can be restored to the former high levels, but with the greater activity now in evidence throughout the province a greater amount of the land is required for use, and a substantial market for it is arising. It is also, I think, being further realized that lands which are not required for use and which must lie idle until they can be profitably improved cannot bear the same proportion of the cost of municipal administration as those which are in use and which are receiving the benefit of the services provided by the municipality. The steady extension of the policy of taxing improvements, either directly or by means of special service charges, makes a greater quantity of land capable of private ownership.

"The condition of the sinking funds shows a steady improvement. The protection of the sinking fund accounts is now in every case receiving the most careful attention.

"The statement of arrears of taxes again shows a reduced amount outstanding, and I believe that, with sound policies for the future, losses through unpaid taxes will be very small."

BOND MOVEMENTS OF THE WEEK
Week Ending August 31

Bonds—	Int. Rate	Due	Yield	Range. 1925 High	Low	Range, 1926 High	Low	Latest Price Ask	Bid	High	Low
Asbestos, 1st M.	6	1941	6.31	..	...	97	96¼	97¾	96½	97	96¼
Asbestos, gen. mtge.	6	1956	7.47	..	...	84⅝	81¾	82½	82	82½	82
Can. Canners	6	1950	6.16	96½	90	100	94	98	97	98	97½
Can. Steamships	5	1943	5.50	83½	77	94	93⅝	94	..	94	..
Cons. Rubber	6	1946	5.98	101	95	102	100¾	101½	100¼	100¾	..
Dom. Coal	5	1940	6.60	90	84	89½	85	..	85½	85½	..
Montreal Trams. "A"	5	1955	5.44	98	92¾	95	92⅛	93	92¾	93⅝	92⅛
Do., 1st mtge.	5	1941	5.19	98	94⅞	98½	97	98⅛	97⅛	98	97
Cedar Rapids	5	1953	5.03	99⅛	97	101½	98¾	101	99⅜	99½	..
Quebec Rly.	5	1939	5.58	98	89¾	95	91⅞	94¾	94½	94¾	94½
Sao Paulo	5	1929	6.11	95	91	97⅛	95½	..	96¾	97	..
Wayagamack	6	1951	6.00	98¾	84¼	100	91¾	100	99¾	100	99¼
War Loan	5	1931	4.75	102.65	101.00	102.40	100.35	101.00	100.80	100.80	100.45
Do.	5	1937	4.60	104.95	103.80	104.65	103.30	103.60	103.20	103.45	..
Victory Loan	5½	1927	4.85	103.15	101.70	101.75	100.15	100.80	100.40	100.50	100.25
Do.	5½	1933	4.82	107.00	105.10	106.80	103.65	104.35	104.10	104.10	103.90
Do.	5½	1934	5.02	104.80	103.20	104.10	102.70	103.25	103.00	103.15	102.80
Do.	5½	1937	4.68	110.00	108.15	109.30	106.95	107.30	107.10	107.30	106.70
Do., Renewal	5½	1927	4.90	103.15	101.70	101.75	100.00	100,75	100.35	100.35	100.20
Do.	5½	1932	5.02	104.20	102.60	103.40	102.00	102.55	102.10	102.20	102.00
Do., Refund	5	1938	4.90	100.45	100.15	101.30	99.00	100.30	99.95	100.25	99.90
Do.	4½	1940	4.85	97.25	92.00	96.70	95.60	96.45	96.10	96.35	95.95
Do.	5	1943	4.87	102.95	101.15	102.20	101.15	101.50	101.40	101.60	101.15
Do.	4½	1944	4.80	97.65	96.20	97.15	95.80	96.40	96.10	96.35	96.10
Do.	4½	1946	4.77	..	.....	96.50	95.65	96.45	96.10	96.50	96.15

WEEKLY RECORD OF CANADIAN FINANCING

SALES BY MUNICIPALITIES, PROVIN CIAL AND DOMINION GOVERNMENTS.

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Summerland	Aug.	Pemberton & Sons	5½%	1946	$30,000	100.77	5.44
Cannington	Aug.	Victoria Trust Co.	5½%	15-av.	27,422	101.77	5.33
Unity School District	Aug.	H. J. Birkett & Co.	5¾%	12 5-6 av.	30,000	100.75	4.91
Regina	Aug.	Wood, Gundy & Co.	5%	....	82,800	....	...
Regina	Aug.	City Sinking Fund Trustees	5	5	11,600	....	...
OFFERINGS OF CORPORATION AND FOREIGN SECURITIES							
Montreal Rail & Water Terminal.	Aug.	White, Weld & Co., and Syndicate	6½%	1951	$3,000,00	par	6½%

WILLIAMS, PARTRIDGE & HODGSON LIMITED
Investment Bankers
171 St. James St. MONTREAL

VERSAILLES-VIDRICAIRE-BOULAIS - LIMITED
Investment Bankers
MONTREAL QUEBEC
Quebec Municipals and Industrials a Specialty

7%
UNITED FIRST MORTGAGE BONDS

Secured by the
Bloor Building
Toronto
in an issue of
$650,000.00

The property is a beautifully designed, substantially built, strictly modern building comprising stores, shops and offices, on one of the finest corners in Toronto.

Do not fail to participate in this investment offering which is one of exceptional merit.

Write us, without obligation, for descriptive literature.

UNITED BOND COMPANY LTD.
297 Bay St. Phone Elgin 5079
Toronto, Ont.
4 Imperial Bank Bldg.
Windsor, Ont.

Tenders and By-laws

Sept 7—Port Colborne, Ont.—$20,000 5%, 20 instalment hydro and $43,000, 5%, 20 instalment school debentures. I. H. White, clerk.

Sept. 7—Crystal Beach, guaranteed by County of Welland, $90,364.12, 5½%, 30 instalments. J. G. Gross and D. D. Gross, Welland, village solicitors.

Sept. 6—Cabane, P.Q.—$13,200, 5% serial bonds. J. H. Beland, Sec.-Treas.

Sept. 7—Beauport, P.Q.—$40,000, 5% serial debentures. R. Belanger, Sec.-Treas.

Sept. 10—Grimsby — $19,000, 5½% 15-year debentures. W. F. Randall, clerk. (See announcement on page 16.)

Sept. 14—Town of Bagotville, P.Q.—$100,000, 5%, serial bonds. L. P. Chayer, Secy.-Treas.

Sept. 13—City of Thetford Mines, P.Q.—$111,700, 5%, serial debentures. H. Gilbert, Sec.-Treas.

UNLISTED BONDS

Abitibi 6% 1940	102¾	..
Algoma Steel 6% 1962	..	29
Belding 5% 1936	89	..
Belgo Can. Paper 6% 1943	100⅜	100¾
Bell Telephone 5% 1955	99⅞	100⅝
Burns, P. & Co. 6½% 1943	103	104
Can. National Rly, 5% 1954	100⅞	101½
Calgary Brewing 5% 1942	83	..
Can. Steamship Lines 7% 1942.	104¼	..
Can. Pacific Rly. 5% 1934	100	100½
Can. Pacific Rly. 4½% 1944	93½	94
Can. Steel Foundries 6% 1936	102	..
Dom. Textile 6% 1949	106¾	..
Duke Price 6% 1966	102½	103
Frontenac Brewery 6% 1951	98	..
H. Smith Paper, 7% 1941	100	..
Laurentide Power 5% 1946	100	..
Laurentian Power 6% 1936	..	101½
Prov. of Ontario 5% 1948	100⅞	101⅝
Ontario Pulp 6% 1931	106¾	..
Price Bros. 6% 1943	103	103½
Quebec Power 6% 1953	103	104
Winnipeg Elec. 6% 1954	95½	96½
St. Maurice Power 6½% 1953	108½	108⅞
Jam. Pub. Service 6½% 1943	102¼	103⅛
Span. River P. 8% 1941	106¾	..

K. H. Kompfe & Co.
Investments

330 Bay St. Toronto *Adelaide 3331*
Dom. Savings Bldg., London *Telephone 8077*

Calgary, Alberta
Stocks, Bonds, Grain & Oil Leases
Carlile & Farr Ltd.
Private wire to all markets.
Correspondents of Logan & Bryan.

Total Assets in excess of $600,000
DOMINION FINANCIAL CORPORATION LIMITED
232 St. James Street
Montreal
Mortgages Purchased

SYSTEMATIC SAVINGS

And sound investment are the roots of most large fortunes. Your weekly savings, if invested in good bonds to yield 6%, will amount in 20 years to—

$ 5.00	$9,839.12
10.00	19,717.06
25.00	49,309.87

Our systematic monthly savings plan will enable you to invest while you save.

Send for Plan "S."

H. B. ROBINSON & Co. Limited
Investment Bankers
53 King St. West TORONTO ELGIN 1224
136 St. James Street MONTREAL MAIN 8542

NEW ISSUES

Gatineau Power Co.
1st Mortgage 5% Bonds
Due 1956
Price: 94 and interest
to yield 5.40%

Gatineau Power Co.
6% Gold Debentures
Due 1941
Price: 99.50 and interest
to yield 6.05%

The Anticosti Corporation
1st Mortgage 6½% Bonds
Due 1941
Price: at market
to yield about 6½%

The Anticosti Corporation
7% Cum. Preference Shares
Price: 97.50 and dividend
to yield 7.18%

We recommend these securities as sound and profitable investments

Particulars on request

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 71, St. Peter St.
(ESTABLISHED 1901)

E200

Reputation

The reputation of the underwriters is often the finest possible insurance of the safety of the investors' principal and the payment of his interest when due.

F. H. Deacon & Co.
227 Bay St., - Toronto

HAMILTON, WARNER & CO.
BONDS
Government
Municipal
Corporation
Transportation Bldg.
MONTREAL

FOREIGN SECURITIES
We are active in all foreign issues.
Ask for quotations.
Have your name placed on our mailing lists.
EUROPEAN DEBENTURE CORPORATION, LTD.
120 St. James Street, Montreal

We are in the market at all times for
British Columbia Municipal Bonds
British Columbia Bond Corporation, Limited
H. E. Boorman, Managing Director
VANCOUVER, B. C. VICTORIA, B. C. NANAIMO, B. C.

THE STANDARD TRUSTS COMPANY
OF WINNIPEG, MANITOBA

INVITES the patronage of Western people as well as that of Eastern people having interests in the West requiring attention.

Nearly a quarter of a century in business, it was the first Trust Company to operate west of the Great Lakes, having its head offices there, and, with a Directorate of leading business men, well versed in Western affairs, it is capable of giving unquestionably good advice to all clients and patrons on matters fiduciary.

It is especially equipped to handle executorships, administrations, and trusts of all kinds, investments, rentals and other collections.

BRANCHES: SASKATOON, EDMONTON, LETHBRIDGE, VANCOUVER

Insurance for Buyer and Seller

ONTARIO UPHOLDS PROVINCE'S RIGHT TO RUN INSURANCE

Superintendent of Insurance Foster Declares Provincial Policy

Canadian insurance has a "constitutional issue," just as have the election campaigners. It was referred to by R. Leighton Foster, Ontario superintendent of insurance, in an address in Detroit this week.

The conflict between Dominion and provincial jurisdiction represents the most important problem affecting Canadian life insurance legislation in Canada to-day, said Mr. Foster, who forecast far-reaching changes in the practical distribution of authority between the Dominion and the several provincial departments in the near future. He added:

"Whereas the legislative powers of the provinces have been uniformly confirmed by all decisions, and whereas each successive decision has cast an increasing measure of doubt upon the validity of Dominion insurance legislation, it is only in very recent years that the uncertainty of the law and duplication of authority has become seriously embarrassing to the business. Let it be distinctly understood, the warmest advocate of provincial supervision will admit the beneficent influence in general of federal supervision in Canada and the outstanding character of the men who, from 1875 to date, have held the appointment of Dominion superintendent of insurance. Doubtless the Dominion department of insurance can continue indefinitely to increase certain of its supervisory functions with the general approval of the insurance business and without objection by the provinces.

"At the same time it is futile to discuss the merits of exclusive federal supervision or the possibility of joint federal and provincial supervision without regard to the terms of court decisions. Students of Canadian constitutional history will hesitate to suggest the possibility of an amendment to the British North America Act. to end the conflict. Ultimately, the practical distribution of authority must follow the law of the constitution in Canada as elsewhere.

"Some of the present problems touching life insurance legislation in Canada have been born out of this tremendous question of jurisdiction. Whereas the regulation of contracts of insurance has been generally conceded by the Dominion as an exclusive field of provincial jurisdiction making possible the enactment by all the provinces of a uniform law of life insurance contracts, nevertheless the Dominion Act, for example, has for years contained a number of provisions with respect to surrender values, policy loans, instalment and annunity payments, distribution of profits and kindred provisions. There would appear to be no doubt, in view of recent legal decisions, that such provisions are invalid when contained in a Dominion statute.

"The legislatures of the provinces of British Columbia and Alberta have already assumed to enact similar and possibly conflicting legislation as part of the provincial insurance laws. There would appear to be numerous sections in the Dominion Act which can, by no possible chance, be held by any court to be competently enacted. One of the problems presently concerning the Association of Superintendens of Insurance of the Province of Canada is the necessity of embodying these Dominion sections in the several provincial Acts and, what is equally important, discussing the inadvisability of further independent action by the several provinces pending agreement upon a draft of sections to be uniformly enacted."

Mr. Foster traced a series of judicial and privy council decisions upholding the validity of provincial, as opposed to Dominion, supervision of the life insurance business. He recalled that the Dominion government had not appealed the last supreme court decision of February, 1926, which declared certain important Dominion legislation as outside Dominion scope and recalled also that at the provincial premiers' conference in June the provinces had demanded that the Dominion either "repeal its legislation regulating contracts of insurance or take immediate steps to appeal the supreme court decision to the privy council."

Speaking on recent steps in the direction of uniform provincial insurance legislation, Mr. Foster stated:

"The conflict of jurisdiction must not be regarded as over-shadowing all other questions, and making impossible material progress along the lines of uniformity and constructive legislation. Indeed in the past five years while the conflict has waged the hottest, the provinces have come closer together and accomplished more in the way of uniformity in insurance legislation and regulation than they did in the preceding fifty years. The achievements in the direction of uniformity of legislation in Canada and the improvements in the insurance laws generally, afford an inspiration to any person or association interested in the welfare of the insurance business.

"The enactment of the Uniform Life Insurance Act in eight out of the nine provinces of Canada, within a period of a little more than a year, represents the most important achievement in the direction of uniformity in any field of legislation in Canada."

Discussing further attempts to bring uniformity about in provincial insurance legislation, Mr. Foster said:

"The attainment of uniformity in relation to fire and casualty insurance legislation has proceeded simultaneously. The idea of a 'standard policy' for fire insurance referred to in Canada as 'statutory conditions' originated in 1875 and was not, in fact, adopted in any state of the United States until followed by New York State in 1886. Prior to 1915, every province in Canada, except Prince Edward Island, had in force statutory conditions for contracts of fire insurance. To-day, five provinces prescribe absolutely uniform statutory fire conditions, so that it is possible for a company to print one form of policy available for use in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

"Somewhat similar conditions prevailed and identical results have been obtained with respect to contracts of accident and health insurance, and contracts of automobile insurance, including liability as well as fire and theft lines. Accident and health, and automobile statutory conditions are uniform in the same five provinces. Not only are the statutory conditions in fire and casualty classes of insurance uniform in the five provinces, but the laws, relating to the interpretation of the contract are practically identical.

"The Association of Superintendents of Insurance now has before it consideration of an uniform agents' qualification law, the enactment of uniform provisions with respect to the extent to which sections in accident and health statutory conditions should apply to casualty benefits in life policies, and as heretofore mentioned, the problem of giving uniform enactment to the ultra vires life contract provisions of the Dominion Act. This review will afford some indication of the manner in which all interested parties are co-operating to secure uniformity in the insurance laws of Canada generally."

Insurance Personals

R. E. Patterson, who has been appointed to manage the Merchants Casualty Insurance Co., of Waterloo, was originally with the Employers Liability Assurance Corporation under Mr. Woodland.

Some years ago he became manager of the Globe Indemnity Co., of Montreal and left that position to enter the mortgage and insurance business buying a partnership in an established Toronto firm. To this he added an adjusting department.

The Canadian head office of the Metropolitan Life announces the following changes in the field:

Spencer Gale, manager at Peterboro, Ontario, is transferred to Danforth, Toronto.

H. A. Barnes, manager at Riverdale, Toronto, is transferred to Holyoke, Mass., U. S. A.

P. A. Bowen, manager at Danforth, Toronto, is transferred to Riverdale.

F. L. Ray, H. O. inspector in Canadian territory, is appointed manager at Peterboro.

C. W. Hubley, agent at Halifax, is appointed assistant manager at Halifax, N. S.

R. W. Aubut, assistant manager at Maisonneuve, Montreal, is transferred to Outremont, Montreal.

P. W. Power, agent at Regina, Sask., is promoted assistant manager at Regina.

E. G. Somerville, assistant manager at Kingston, Ontario, is appointed general assistant manager in Canadian territory.

S. K. Brogden, agent at Kingston, Ontario, is appointed assistant manager at Kingston.

Anatole Caron, assistant manager at Sherbrooke, Quebec, is transferred to Maisonneuve, Montreal.

Insurance Problems

Insurance questions of general interest, submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Commonwealth Life

What is your opinion of the stock of the Commonwealth Life Insurance Co. as an investment?

The experience of practically all life insurance companies in Canada has been that the first few years are a difficult up-hill fight to build business without running expenses too high but that in subsequent years policy holders get dividend bonuses and stock holders begin to recover something on their investment.

Stock of the Commonwealth Life Insurance Co. is hardly likely to return anything to the purchaser for a number of years but there is no reason why, given the continuation of the present class of directorate and of expanding insurance business in Canada, it should not, when well planted on its feet, return substantial profits to the original stockholders.

Life insurance stocks are simply an investment for a long hold.

MAKE MORTALITY TABLES MODERN, OTTAWA'S PLAN

Aim to Help Canadian Companies Sell Non-Par Policies

Proposals of G. D. Finlayson, superintendent of insurance for the Dominion, radically to revise life insurance practice so as to enable Canadian companies to meet American competition in non-participating insurance, and to bring up-to-date mortality tables on all life insurance have aroused keen discussion in insurance circles.

Considerable interest has been aroused by the letter sent to the Canadian companies by Mr. Finlayson, suggesting a new statutory basis of mortality on which to compute actuarial reserves. The letter contains three main suggestions; changes in the mortality tables to recognize that the average expectation of life has lengthened; changes in methods of setting up what is known as the "deficiency reserve" and changes in the initial expense allowance. The change in mortality tables and expense allowance would affect both participating and non-participating insurance, the other change relates only to non-participating policies.

Now No Prescribed Basis

As far as the Canadian statute is concerned, there is no prescribed basis of mortality upon which actuarial reserves must be computed. As long as the tables used are standard and as long as the interest rates used in calculations are not more than 3½ per cent., Canadian life insurance companies are free to use whatever tables they like. The most common table is the British Offices Life table (1893) commonly known as the O. M. 5 (Ordinary Male) table of mortality which was compiled from British statistics up to 1893. This is used quite generally by Canadian companies and although on the whole there is no general objection to its use, many actuaries feel that a more up-to-date table should be used, due to the importance of the rate of mortality which has declined materially in recent years. There are other tables in use, the H. M. (Healthy Male) 1869, a British table; and the A. M. (American Male) which was compiled in 1915 in the United States from the statistics of 60 life insurance companies. including nine Canadian companies which do business across the border. This latter table is used chiefly for group and industrial policies, and, although the results obtained when taken in the aggregate, are very similar to those of earlier tables, the rate of mortality between the ages of 20 and 40 shows a heavy decrease in recent years. The present tables, it is declared by insurance men, are ill-fitted to Canadian experience because premiums, if calculated on actual experience, would be considerably lower than under the statutory standard now required by law; hardship is thus worked on holders of Canadian non-participating policies which do not pay dividends. The rates of this class of insurance cannot be lowered because of the mortality tables used. Non-participating business forms from 10 per cent. to 30 per cent. of Canadian life insurance and, although for some companies the percentage is small in others the business, now going largely to American companies, is a very vital factor. The superintendent's first proposal is to make a uniform basis of mortality somewhat along the lines of the A. M. table of 1915.

Help Canadian Companies

The second proposal is that the deficiency reserve be calculated on the new mortality basis. At present, where the gross premium is less than net premium plus a margin of 2½ per cent., the company is required to establish a reserve equal to the difference. This is a distinct disadvantage to the Canadian companies who have to meet the competition of American companies operating on this side of the border. Some American companies pay this reserve out of their own pockets and then undersell smaller Canadian companies not so favorably situated. In establishing the new mortality basis, the 2½ per cent. margin would be eliminated.

The third suggestion is that the method of valuation should be such as to permit expenses to be made good over the whole premium paying period instead of being changed against premiums of the first few years. The premiums quoted by life insurance companies assume uniform expenses throughout the life of the policy. Actually, of course, this is not the case, as the expenses in the first year of the policy are far heavier than later on. The Canadian statute permits an allowance which must be repaid within five years, while the present Ontario statute which has been accepted by Manitoba, Saskatchewan, Alberta and British Columbia, allows the reserves to be adjusted over a period of ten years. American practice varies exceedingly on this point. Ohio having adopted a scheme such as Mr. Finlayson suggested, and New York and Illinois having gone even farther than this in adopting a 19-year life allowance. Mr. Finlayson proposes that an arrangement be made whereby reserves are adjusted over the whole life of the policy. No reserve would be necessary during the first year of the policy, the policy being advanced one year so that a policy taken at the age of 25 years would be treated by the government as one at 26 years. The present statute as used in Ontario is the most conservative in the continent with the exception of the Dominion law and some Canadian firms favor an even stronger measure, such as that in force in Illinois, which would cover a 20-payment life policy, advance the first payment a year and make the policy for reserve purposes a 19 pay life.

Insurance Men Back Proposals

The general feeling among insurance men is that some such change would be very welcome and would not only tend to more uniformity by bringing Dominion law into line with present practice, but would materially assist Canadian companies to develop the non-participating form of life insurance. Nothing can be said regarding definite action in the near future, but it is probable that a conference will be arranged at which those concerned can discuss their views with the superintendent at Ottawa.

Huron and Erie Puts Group Insurance on 134 of Staff

Lives of 134 employees of the Huron & Erie Mortgage Corporation and the Canada Trust Co. were recently insured with the London Life insurance Co. for $388,000. This large policy was written by Frank C. Morrow. In taking this step the Huron & Erie has thrown its influence on the side of an increasing number of business and manufacturing organizations which have come to realize that the lives of their employees—one of a firm's most valuable assets—should be insured.

Briefly explained, group insurance is as follows: A policy covering the lives of all employees is purchased by the employer from the insurance company. In addition, each employee who has been with the firm for upwards of six months receives an individual policy. The Huron & Erie group took the form of a reward service. Starting with those who have been the minimum time in the employ of the corporation, the amounts were scaled according to length of service, insurance on each individual to last as long as he should remain in his present employment.

The general experience of companies purchasing group insurance has been that it supplies a great need, working to the advantage of the employees who come under its protection. It fills a position complementary and supplementary to pension funds, such as the Huron & Erie already maintains.

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

Insurance
OF ALL KINDS TRANSACTED

The Provident
ESTABLISHED 1905
Head Office:
THE PROVIDENT BUILDING
Corner Place d'Armes & St. James St.
MONTREAL
Tel. HArbour 3292-3-4-5-6-7

WESTERN
ASSURANCE COMPANY
Incorporated 1851
Fire—Marine—Automobile—
Burglary—Guarantee
HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

Northwestern Mutual Fire Association
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO
THE NORTHWESTERN MUTUAL
Is now returning annually in dividends to its Policyholders over $1,000,000.
Writing Fire Insurance at Cost. Assets $3,118,764.07.
Norman S. Jones, Manager for Canada. R. J. Mahony, Associate Manager.
All policies dividend paying and non-assessable.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary W. H. HUNTER, President ALEX. STEWART, Treasurer

[Ad No. 1 in a series on Business Mortality]

How Long Does A Retail Business Live?

How long will *your* customers "live?" Below are "experience tables" compiled by the Bureau of Business Standards of the Shaw publications. They represent a study of thousands of cases.

Groceries	7.1 years
Hardware	7.9 years
Paints and wall-paper	6.7 years
Drugs	7.8 years
Books and stationery	6.9 years
Jewelry	7.2 years
Dry goods	6.9 years
Clothing	6.4 years
Boots and shoes	7.4 years
Furniture	6.8 years
General average for retail concerns	7.1 years

Manufacturers and Jobbers, the average life of your possible customers is only seven years. Many of them are undoubtedly at this dangerous age *right now*. You can't know exactly when they will fail, *nor can you prevent it*. But you *can* render yourself immune to the consequences—you *can* protect your own resources—with one of our policies of Credit Insurance.

CANADIAN DIVISION
The AMERICAN CREDIT INDEMNITY COMPANY
of New York J. F. McFadden, President
R. J. MULLEN, General Manager for Canada,
Toronto Office: 1702-08 Metropolitan Bldg. Phone: Main 4316
Montreal Office: Canada Cement Bldg. Phone: Lancaster 3258
KR545

5½% Interest Return
INVEST YOUR SAVINGS
in a 5½% DEBENTURE of The Great West Permanent Loan Company
SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

HEAD OFFICE, WINNIPEG
Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

STEWARDSHIP

The surplus shown by a life assurance company may be considered the measure of its stewardship. Roughly, it represents the difference between the amount necessary to guarantee fulfilment of its contracts and the amount of its assets. A substantial surplus is an extra safeguard against possible unforeseen contingencies.

A surplus of over twenty-eight million dollars gives additional security to policies of the

SUN LIFE ASSURANCE COMPANY OF CANADA
Head Office: Montreal

Your Questions Answered

THE estate which your industry and enterprise has created, which some day you intend for the support of your dependents—your wife, who is everything to you—the children who have brought much joy into your life—that invalid mother or sister—that less fortunate brother or son—what steps are you taking to conserve your estate so that the income may be secured for their support?

To a business man facing such questions our Booklet on Wills furnishes a complete answer, giving much useful information on this important subject. We shall be glad to send you a copy on request.

The TORONTO GENERAL TRUSTS CORPORATION
ESTABLISHED 1882
W. G. WATSON, General Manager. H. M. FORBES, Asst. General Manager
Toronto Ottawa Winnipeg Saskatoon Vancouver

Current Events in Banking World

PROTEST OF CHEQUE IS LEGAL EVIDENCE IT WAS PRESENTED

Unless Protest is Waived, Procedure Usual to Make It

There is a very general ignorance as to the reasons for and effect of protest in connection with a dishonored cheque or bill of exchange, and even many branch managers are not any too clear on the subject. A protest is simply a notice of dishonor, to hold the endorsers liable, and in this way protect the collecting agent in the event of dishonor. This notice of dishonor may be given by any holder of the bill, but the holder, in case of dispute, must be able to produce evidence that notice of dishonor was given in due time in accordance with the terms of the Bills of Exchange Act. Notorial protest, which is in reality, an official notice of dishonor, furnishes statutory evidence of the time when the bill was dishonored, and notices mailed to all parties and endorsers would be precluded from denying the validity of such notice, even if he has not actually received it.

Protest Must Be Waived

Frequently, when a cheque or bill of exchange is protested, the maker will complain bitterly of the action of the bank, and the endorser will support him. It is not the fault of the bank that the item was protested, but of the endorser. If he had been willing to relieve the bank, the collecting agent, of the responsibility of notifying him in case of dishonor, it would have been very easy to have given the necessary instructions and authority to waive protest, but this the ordinary man does not want to do. He wants to make the bank responsible for prompt presentation, and in the event of dishonor, if it can be shown that the bill was held over for a day or two for the convenience of the maker, is only too anxious to try to make the bank responsible.

In the majority of cases the delay of a few days in receiving notice that a cheque had not been paid when presented is no hardship, and, while the endorser may feel annoyed, this is the limit of the actual damage. In other cases, of course, failure to receive this notice might mean actual monetary loss. There are also cases again where the endorser insists on standing on his technical rights in the matter, and where the bank or the holder in due course has neglected to send formal notice of dishonor, will attempt to deny responsibility, in order to force the holder or the bank which negotiated the item to take legal action to recover from the maker.

Where Protest Avoids Trouble

The rules of action in connection with notice of dishonor vary in different provinces, and while notarial protest is necessary in Quebec, it is not in Ontario, in the case of local bills. In Ontario the return of the dishonored bill to the immediate endorse the day after maturity, in the case of a bill or after presentation in the case of a cheque, would be sufficient notice of dishonor, and the last endorser would have the same length of time in which to notify the last previous endorser, and so on. In such cases, however, there is always the chance of unavoidable delay, with possible complications, through an endorser not being able or willing to take up the bill when he is notified in this way and it is almost certain that if he can dodge liability he will. Under such circumstances, protest at the proper time avoids all questions of liability by precluding any endorser denying notice of dishonor.

Some branch managers are weak and foolish enough to try to protect a customer who has issued a cheque before making provision for payment, and will take a chance. Of course, the relations with their own customer are their own business, but if they are stuck in trying to help him out, they have only themselves to blame.

In the case of foreign bills, i.e. bills drawn out of but payable in Canada, protest is necessary to retain recourse against the endorser in the event of dishonor.

Any J. P. Can Make Protest

Protest is usually made by a notary public but when the services of a notary cannot be obtained, any justice of the peace, resident in the place, may present and protest a bill, and give all necessary notices.

As to the relations between a bank and its customer they are entirely a matter of mutual arrangement. When a man issues a cheque in the hope or expectation of being able to provide for it by the time it is presented for payment, it is entirely his lookout if he slips up in his calculations. Some, of course, do this deliberately, with the idea that the bank may honor the cheque rather than risk injury to its customer's credit by allowing the cheque to go to protest. These people are simply running a bluff, and have no right to object if the bluff is called. For one thing, the one who issues the cheque has exceeded his rights under his contract with the bank. That institution accepted from him funds on the understanding and agreement that it would account for them to the customer on demand, i.e. it would honor his cheques up to the amount at the customer's credit. There is nothing in this to warrant the assumption that cheques in excess of this credit balance will be paid, and if the customer has not even had the courtesy to make a request for the accommodation, before issuing the cheques which will overdraw the account, he can hardly expect consideration. If a creditor drew on him for an amount in excess of the debt he would refuse the draft without hesitation, and possibly some vigorous comment, yet he will profess to feel aggrieved when the bank refuses to permit him to overstep the limit of *his* rights.

H. B. Walker

After nearly fifty years of active service, H. B. Walker, Montreal manager of the Canadian Bank of Commerce will retire on November 30 next. Quiet, dignified, a perfect gentleman, with a keen sense of humor, Mr. Walker is perhaps as well posted on the problems of foreign exchange as any other man in Canada to-day. He is also a particularly good authority on investments.

His outstanding achievement in the banking world was his share in the amalgamation of the Eastern Townships Bank with the Bank of Commerce in 1912. The history of the Bank of Commerce attributes to him the honor that negotiations were taken up at the opportune moment, and the strong establishment of that bank in rural Quebec is largely due to his efforts.

Mr. Walker is 69 years of age and a brother of the late Sir Edmund Walker.

Mr. Walker entered the service of the Canadian Bank of Commerce in October, 1877. He was appointed manager at Windsor, Ontario, in 1888, and went to Chicago as representative of that bank in 1897. He was appointed joint agent at New York in 1902 and has filled the position of manager at Montreal since 1908.

COMMERCE STAFF CHANGES

Several staff changes are announced by the Canadian Bank of Commerce.

A. J. Marlow has been promoted to the superintendent's department at Vancouver, with the rank of assistant inspector. Mr. Marlow has been manager at New Westminster for the past three years, and prior to that was manager at Duncan and Salmon Arm.

C. G. Lewis, assistant manager at Vancouver, has been promoted to the managership at New Westminster, and will be succeeded by E. H. Wood, now assistant in the inspector's department at Vancouver, and formerly manager of the Fernie branch. Mr. Wood was for several years accountant at Victoria.

DOMINION BANK

The Dominion Bank announce the following staff appointment: F. V. Hill, formerly accountant at Bleury Street, Montreal, has been appointed acting manager at King and Wentworth Sts. branch, Hamilton, Ont.

H. B. Walker's Retirement Causes Commerce Shift

H. B. Walker, Montreal manager of the Canadian Bank of Commerce, and a brother of the late Sir Edmund Walker, who is retiring from active service on Nov. 30 next, will be succeeded as manager of the Montreal branch by P. C. Stevenson, at present manager at Ottawa. Crawford Gordon, assistant manager of the main office at Toronto, will succeed Mr. Stevenson in Ottawa.

P. C. Stevenson

Mr. Stevenson entered the bank as a junior at Montreal branch in 1887 and subsequently served at London, Ontario, and at the head office, Toronto, until 1908, when he was appointed accountant at the branch then opened by the bank in Dawson City, Yukon Territory. In 1903 he received his appointment as manager of the new branch of the bank at Sydney, Cape Breton, and in 1907 he was appointed manager of the branch then opened at Kingston, Ontario, being transferred from there to the management at Ottawa in 1919.

Crawford Gordon

Crawford Gordon entered the service of the bank as a junior clerk at the Winnipeg branch in 1900, where he occupied various positions up to that of assistant inspector of the Central Western district, and later assistant manager of the Winnipeg branch, to which position he was appointed in 1911. In 1920 he received the appointment of manager of the Kingston, Jamaica, B.W.I. branch, which he established in that year, and in the early part of 1925 was appointed assistant manager of the Toronto branch.

Weekly Bank Clearings

(In comparison with the same week last year)

EASTERN CITIES

	Aug. 28 1925	Aug. 26 1926
Montreal	$94,163,882	$107,061,881
Toronto	79,053,856	87,760,517
St. John	2,602,214	2,300,034
Halifax	3,497,191	2,584,020
Moncton	783,067	775,490
Sherbrooke	842,076	869,816
Quebec	5,033,757	5,899,467
Ottawa	5,353,529	5,567,531
Kingston	648,616	681,812
Peterboro	605,958	684,471
Hamilton	4,734,329	4,921,208
Brantford	789,506	965,417
London	2,203,733	3,708,135
Chatham	....	587,359
Kitchener	974,538	802,134
Windsor	3,244,588	4,018,651
Sarnia	....	654,641
Total East	$204,530,840	$229,842,584

WESTERN CITIES

	Aug. 28 1925	Aug. 26 1926
Fort William	588,828	720,044
Winnipeg	35,570,850	37,572,426
Brandon	608,055	561,771
Regina	3,279,852	3,679,784
Saskatoon	1,616,523	1,760,789
Moose Jaw	958,120	1,107,768
Prince Albert	259,589	413,455
Lethbridge	482,253	469,164
Calgary	5,998,837	5,394,172
Edmonton	4,226,327	4,067,024
Medicine Hat	....	249,068
Vancouver	15,346,570	16,514,688
Victoria	1,971,608	1,896,833
New Westminster	579,628	672,289
Total, West	$71,487,035	$75,079,275

Staff Gossip

Harold Mellor, accountant with the Bank of Nova Scotia, has left for Halifax, having been transferred to one of the bank's branches there. — Herald, North Sydney.

* * *

Wm. Neil has been transferred to Carelton Place from the Ottawa Bank of Commerce staff. Ronald Blakely, of Belleville, has been taken on here as junior clerk.—Citizen, Ottawa.

* * *

W. T. Cottingham, who has for some time been accountant in the Kamsack branch of the Canadian Bank of Commerce, has been transferred to Moosomin as manager of the branch at that point.—Times, Kamsack.

* * *

Geoffrey Whitehead, who has been manager of the Canadian Bank of Commerce at Revelstoke for the past two years, has been promoted to the management of the branch at Vernon to replace W. G. Ferris who is retiring to enter private business.—News, Prince Rupert.

The Canadian good roads association will hold its annual convention in Edmonton this year, on September 28, 29 and 30. It is expected that some 700 delegates will be present and that full advantage will be taken of the occasion by the eastern visitors to see something of the charms of Alberta's mountain scenery.

Monthly Bank Clearings

(In comparison with same month last year).

EASTERN CITIES

	Aug. 1925	Aug. 1926
St. John	$10,752,917	$11,058,374
Halifax	11,903,337	12,303,366
Moncton	3,286,244	3,425,273
Sherbrooke	5,140,166	4,227,218
Quebec	24,270,570	26,858,513
Montreal	411,042,747	464,463,790
Ottawa	24,324,531	25,870,549
Kingston	3,084,358	3,125,735
Peterboro	3,084,358	3,312,311
Toronto	343,254,000	389,584,145
Hamilton	20,341,525	21,750,239
Brantford	3,760,290	4,343,001
London	10,027,688	12,044,618
Kitchener	3,963,933	3,854,811
Chatham	....	2,537,521
Windsor	15,094,424	17,466,541
Total East	$893,331,188	$1,006,226,005

WESTERN CITIES

	Aug. 1925	Aug. 1926
Fort William	3,079,665	3,491,129
Winnipeg	185,749,268	210,587,998
Brandon	2,839,572	2,709,087
Regina	16,135,810	20,512,288
Saskatoon	7,844,492	9,068,445
Moose Jaw	4,479,660	9,161,763
Pr. Albert	1,263,694	1,677,638
Lethbridge	2,414,844	2,258,834
Calgary	27,765,568	30,525,814
Edmonton	19,537,407	20,699,423
Medicine Hat	1,876,608	1,144,825
Vancouver	68,859,111	73,506,537
Victoria	8,858,386	9,325,399
N. Westminster	2,686,922	3,206,695
Total, West	$353,391,007	$397,875,875

DODGE BROTHERS
DE LUXE SEDAN

People select motor cars by different standards.

Some desire luxury and ostentation. Others, utility and economy alone.

Dodge Brothers De Luxe Sedan strikes a fine and distinguished balance—both in appearance and price—between these two extremes.

It provides unusual comfort and roominess; a refinement of line and design in which the owner takes deep pride; and everywhere in the world the name it bears is associated with the highest standard of integrity and workmanship.

With reasonable care, the De Luxe Sedan serves its owners for years, frequently delivers mileage running well into six figures, and on the resale market brings prices that strikingly reflect the solid value Dodge Brothers have built into it.

Dollar for dollar's worth of genuine automobile!

De Luxe Sedan $1385
Standard Sedan 1210

f. o. b. Toronto, taxes to be added

DODGE BROTHERS (CANADA) LIMITED
TORONTO, ONTARIO

Laurentide Company Limited

Annual Report

For the Year Ended June 30th, 1926

To the Shareholders:—

The profits for the year ended June 30th, 1926, were $3,021,868.44, which, after deducting interest and other charges amounting to $316,293.69, and reserves for taxes, depreciation and depletion amounting to $798,741.74, leaves a net profit of $1,906,833.01.

The earnings shown are based upon logging costs which have been computed in a conservative manner, and proper reserves have been created for possible contingencies.

During the year the mills have been operated at full capacity.

For the Directors,
GEORGE CHAHOON, JR.,
President

Montreal, August 9th, 1926.

Laurentide Company, Limited

PROFIT AND LOSS ACCOUNT

Year Ended June 30th, 1926

Profits from Newsprint and Cardboard		$2,486,267.75
Miscellaneous Profits		146,682.13
Income from Investments		388,918.56
		$3,021,868.44
Deduct:—		
Interest and Other Charges	$316,293.69	
Reserves for Taxes, Depreciation and Depletion	798,741.74	
		1,115,035.43
		$1,906,833.01
Profits for the Year:—		
To Dividends as follows:—		
October 1st, 1925	$432,000.00	
January 2nd, 1926	432,000.00	
April 3rd, 1926	432,000.00	
July 2nd, 1926	432,000.00	
		1,728,000.00
Carried into Surplus—Balance		$178,833.01

BALANCE SHEET AS AT JUNE 30th, 1926

ASSETS

Fixed:—		
Mills, Buildings, Plant and Machinery	$27,088,147.41	
Less:—		
Reserve for Depreciation and Depletion	3,780,615.76	
		$23,307,531.65
Current:—		
Investments	$5,127,946.31	
Cash on Hand and in Banks	358,153.16	
Accounts and Bills Receivable	895,341.24	
Logs and Logging Supplies	2,922,237.97	
Mill Supplies	615,339.83	
Miscellaneous Merchandise	94,188.26	
		10,013,206.77
Insurance Premiums Unexpired		89,615.35
Deferred Charges to Operations		139,833.95
		$33,550,187.72

LIABILITIES

Common Stock:—		
Authorized	$35,000,000.00	
Less:—		
Unissued	6,200,000.00	
		$28,800,000.00
Current Liabilities:—		
Common Stock Dividend Due July 2nd	$ 432,000.00	
Accrued Wages	79,804.17	
Bills Payable	196,141.66	
Accounts Payable	1,091,255.22	
Unpaid Dividends	11,776.00	
Reserve for Income Tax	235,625.85	
		2,046,602.90
Contingent and Miscellaneous Reserves		235,620.11
Surplus as at June 30th, 1925	$2,289,131.70	
Surplus for year	178,833.01	
		2,467,964.71
		$33,550,187.72

Indirect Liability for Customers' Paper under Discount, $34,647.00

Contingent Liability for Guarantee of Bonds of Laurentide Power Company, Limited, $1,525,000.00.

Approved on behalf of the Board,

EDWIN HANSON,)
G. H. MONTGOMERY,) Directors.

AUDITORS' CERTIFICATE

We have received all the information and explanations we have required and we certify that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of Laurentide Company, Limited, as at June 30th, 1926, according to the best of our information, the explanations given us and as shown by the books of the Company.

SHARP, MILNE & COMPANY,
Chartered Accountants.

Montreal, August 9th, 1926.

Foreign Exchange

Conducted by S. J. ZACKS.

The remarkable advance in lire this week was attributed to two factors. First of all, government manipulation in the lire has been very prominent of late. Secondly, internal financial progress has been discernible. The treasury statement issued a few days ago showed a budgetary surplus for the first month in the present fiscal year of 84,000,000 lire, an improvement of 13,000,000 lire over the corresponding period last year. The showing is even more impressive when one realizes that 20,000,000 lire spent for railroad construction were included in the ordinary budget. Formerly such expenditures were carried under separate account. Contraction in paper circulation has also been substantial, while the economic crisis from which Italy in common with almost all European nations, is now suffering, is reflected in the figures of Italy's foreign trade, where exports are falling off more rapidly than imports.

The present rapid and sudden upward movement of Italian currency will no doubt do much to disperse the heavy short interest which, it is said, has been in the way of Italy's stabilization plans. Recent movements of lire spot and future would indicate that the effort was deliberate. It is understood that the shorts have persistently been extending their positions by covering their futures as they fall due, by buying spot and simultaneously selling new futures. To offset this, it is thought that the Italian government of late, either officially or semi-officially, stepped in and supported spot rates and at the same time depressed futures. This made the extension of futures expensive. The week's phenomenal gain seems to imply that the speculative short interest has been frozen out.

Rumor Franc Stabilization

Many strange rumors circulated in the market to explain the rise of the French franc, such as the immediate stabilization of the franc at 4 cents and the actual provision of credits of $250,000,000. The latter appears impossible without a ratification of debt settlements by French parliament. On the other hand, the satisfactory statement of the Bank of France showing further contraction of circulation by the Bank of France combined with drastic economies both by the government and the people, might provide a basis for a bull sentiment. A genuine "stomach retrenchment" is being enforced in France, seriously affecting individual standards of living. The recent council decree calling for a "period of penitence" indicated that Poincare tends to resort to utmost sacrifice, rather than foreign credits, which would shatter current rumors of these.

Figures on world price levels compiled by the National Industrial Conference Board show that the price level dropped all over the world except in Belgium, France and Italy, where there has been currency inflation. Before these countries can return to gold, adjustment of their price levels to the world price level, by fixing a value to their currency at which it will stay pegged, will be a serious problem.

United States funds appear stronger to-day and gold shipments of late have been scarce.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Aug. 26	x1.64	3.16	x1-32	1-32
Aug. 27	11.64	3.16	1-32	3-64
Aug. 28	3.16	3.16	1-16	5-64
Aug. 30	11-64	3.16	1-16	5-64
Aug. 31	11-64	3.16	1-16	1-16
Sept. 1	5.32	11.64	1-16	1-16

xDiscount.

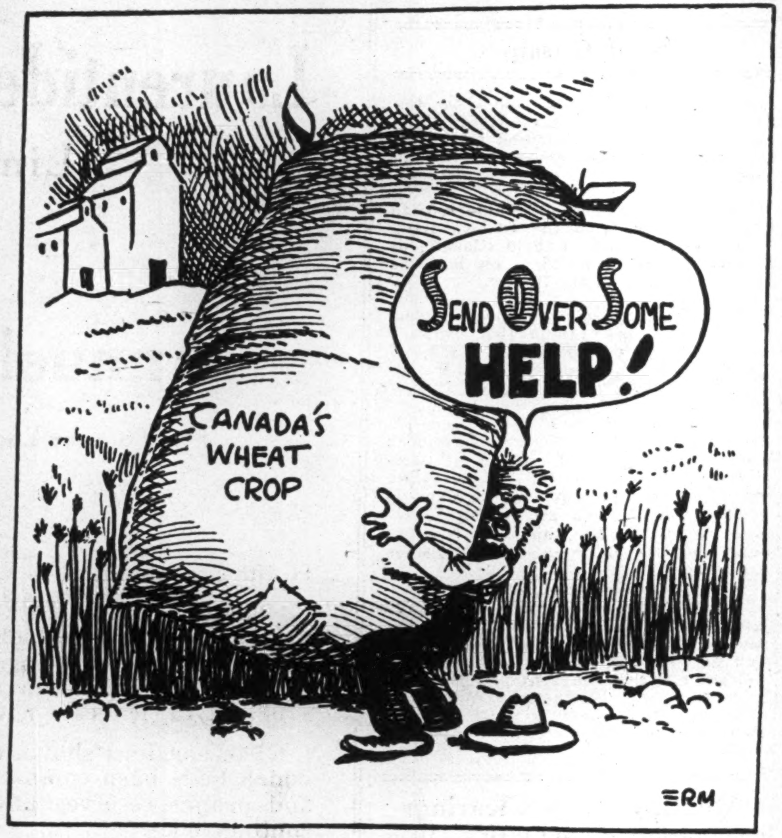
STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Aug. 26	4.84 15/16	2.85	3.26¾
Aug. 27	4.84⅞	2.86	3.25
Aug. 28	4.84 15/16	2.87¼	3.23¾
Aug. 30	4.84⅞	2.88	3.22¾
Aug. 31	4.84⅞	2.94¾	3.28
Sept. 1	4.85⅛	3.04½	3.77¾

FOREIGN EXCHANGE

Par		Aug. 25	Sept. 1
19.30	Italian	3.29¾	3.77¾
32.45	Brazil	15.32	15.31
23.82	German	23.79	23.81
19.30	Belgium	2.75¼	2.84½
84.85	Japan	47.84½	48.00

An "S.O.S." from the West



—Vancouver Province.

Canada's Tourist Trade Balance Over $140,000,000

Tourists Spend at Least $190,000,000 Annually Here and We Spend $50,000,000 Abroad—Making an Industry of Serving Tourists.

They tell the story of an American traveling on a French liner who got friendly with his table steward, a very intelligent man speaking English well and taking an interest in world politics. The steward had been expounding the beauties of his home province Brittany—and the American asked casually, "What is your principal industry?"

"Tourists, sir," was the ready reply.

Tourists are not yet the principal "industry" of Canada, but tourists bring Canada a yearly revenue almost as great as the revenue from our mines; twice as much as the annual income of our water power plants; four times as great as the annual wealth from our fisheries—a revenue of tremendous import to our prosperity.

Motorists Spend $188,500,000

The publication Natural Resources estimates that last year 2,439,144 cars entered Canada for periods of one day to six months, and that the gross value of the traffic, on the basis of an expenditure of five dollars per head, amounted to $188,555,400.

More conservative is the estimate the United States department of commerce makes of the amount Americans will spend in Canada this year.

Unofficial estimates prepared by the department of commerce forecast an expenditure this year of $500,000,000 by American tourists in Europe and $190,000,000 as the amount that probably will be spent by Americans visiting Canada. This figure is, however, the total expenditures. The Canadian figures includes motor cars only, and this is evidence that the American estimate is conservative.

Our Tourist Credit Balance

Canada's tourist "balance of trade" is not easily determined. The United States government estimates that Canadian tourists in the United States spend $25,000,000 a year over there. If we consider that Canadians spend a similar amount throughout the rest of the world, Canadians spend $50,000,000 a year touring abroad, leaving $140,000,000 yearly as the amount added to our national wealth yearly by our hospitality to those who fish in our streams, hunt in our forests, motor on our highways, view our lake and mountain scenery, travel on our railways, live in our hotels and buy in our shops.

Making a Business of It

"What the trade of summer travel will be when the natural beauties of Canada, the charm of her summer climate and the excellence of her highways become more widely known, we need not pause to estimate; but it will be a great tidal wave, bringing immense wealth to these shores," says the Maritime Merchant, discussing this question of tourist traffic. It adds: "In European countries the tourist traffic is regarded as a great source of revenue; and when travel is light for a season there is very keen disappointment. A newspaper from Yarmouth (England) came to hand recently, and in a survey of the outlook particular reference was made to the fear that because of conditions due to the coal strike, there would be a falling off in tourist business.

"There are greater possibilities than the expenditure by the tourist of a few dollars in passing. Maine recalls that Dexter Cooper, who is behind the great proposed tidal power scheme at Passamaquoddy, first came to the State as a tourist, and its coasts are dotted with stately summer homes erected by visitors who came and were so well pleased that they wanted to return each year to a place of their own. Other tourists saw business chances and made investments, all for the financial benefit of the state."

As an example of the manner in which the tourist business is being definitely organized, Cape Breton's Old Home Summer is of significance.

Old Home Week Draws Crowds

The Sydney correspondent of The Financial Post advises:

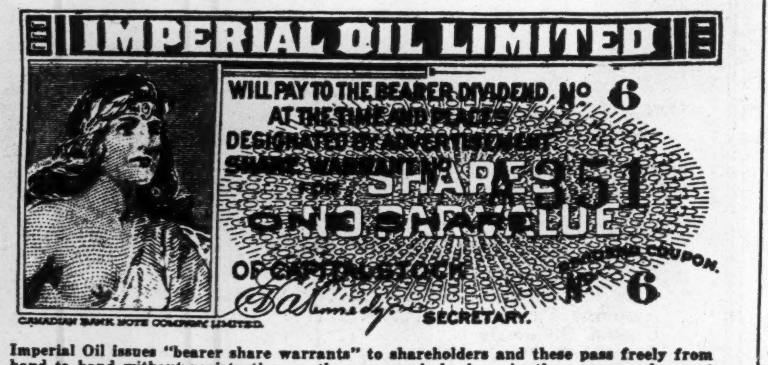
Promoters of Cape Breton's Old Home Summer are eminently satisfied with the results of their first season's direct advertising for tourist traffic. The sum available for advertising was not great, but it was laid out to the best possible advantage in newspapers at strategic points east of the Mississippi river and north of the Dixie line. From July 7 to the present time, over 1,800 American cars have crossed the Strait of Canso into the island—about four times the number that entered during the whole of the 1925 season.

In addition, many hundreds of former residents returned by rail and otherwise for vacations and to attend special celebrations around Sydney, Glace Bay, North Sydney, Sydney Mines, Baddeck and Louisburg. The committee relied entirely upon paid advertising—no free publicity space grafting was attempted.

Valuable co-operation was given by the Canadian, British and French authorities, particularly in routing visiting warships to reach Cape Breton ports during the Old Home month; and the Canadian National system also rendered great assistance by incorporating references to the eastern celebration in its general advertising matter, and also by exhibiting in its show windows, in New York City and elsewhere, big Cape Breton trout and other matter likely to prove attractive to tourists.

So well pleased are the islanders with the result of their very moderate outlay in 1926, that they plan to advertise on a larger scale, in 1927, with a view to further increasing the tourist trade.

They Don't Know Who Shareholders Are


IMPERIAL OIL LIMITED
WILL PAY TO THE BEARER DIVIDEND No 6
AT THE TIME AND PLACES
DESIGNATED BY ADVERTISEMENT
SHARE WARRANT No
FOR SHARES 351
ONE SHARE VALUE
OF CAPITAL STOCK
COUPON
No 6
SECRETARY.
CANADIAN BANK NOTE COMPANY LIMITED

Imperial Oil issues "bearer share warrants" to shareholders and these pass freely from hand to hand without registration on the company's books. As the company does not know who owns these shares, from time to time it can not send them dividend cheques. Instead it has attached a series of coupons like the above to its warrants and when a dividend is declared it is advertised in the press and the warrant holder collects by presenting the coupon. The coupon above was worth 25c.

Imperial Oil Publishes No Financial Statement

(Continued from page 1)

know of its progress through their dividends.

"Bearer Share Warrents" Used

A very large proportion of the stock of Imperial Oil and International "Pete" is held in the form of bearer share warrants, which are more like receipts for stock certificates than stock certificates registered on the books of the company. Coupons are attached to these warrants and whenever a dividend is declared, the coupon need only be presented to enable the holder to collect whatever dividend has been made available. The system has certain advantages for the company. One is, it is said, that it facilitates trading in the stock of the company by making transfers easier. However, the lack of such a system on the part of other companies has not slowed up trading in their shares at all. Another advantage that accrues to the company is that, as it does not know who holds these share warrants, it does not have to consider them as shareholders entitled to information concerning the company's affairs. It is altogether possible that if all the holders of bearer share warrants of Imperial Oil and International Petroleum were to exercise their prerogative and register their holdings on the books of the two companies that there would be an insistent demand for the regular publication of annual reports.

Reasons why the Imperiol Oil and International Petroleum Company do not make their annual financial statements available to the public, despite the wide distribution of their stock among thousands of holders, are not clear. It has been suggested that the delicacy of the company's relations with South American governments is a factor.

At the annual meeting of the company, it is stated, no figures are presented to the shareholders although questions are answered and the president makes some general comments on the company's activities.

The Nation's Business

(Continued from page 1)

ance. We are satisfied that this is one great issue. We believe that Canada has come to the point at last where any conceivable government, strong enough to stand on its own pins, strong enough to live without perpetual barter with a pull-all-ways and leaderless minority, would be better than no government. And we are quite certain that another parliament like the last can only mean a continuance of the old deadlock, the old stalemate, the old government that was no government, and the impotence of parliament."

* * *

CANADA, published in London, Eng., has an election forecast that is favorable to the Conservatives, giving them 132 seats as against 113 for the Liberal-Progressive combination. It disclaims any Conservative bias and invites Liberal forecasts. Says Canada:

"Without in any way committing ourselves to the following expression of opinion on the election possibilities in Canada, we publish the following prognostication by a Canadian who has an intimate knowledge of political conditions in the Dominion. He was one of the few who calculated at the general election of 1911 that the Liberal majority at the dissolution in that year would, on election day, be transformed into a Conservative majority of over 40; and he phophesied that the general election of 1925 would end in stalemate."

The forecast, which is backed up by a lengthy analysis of the situation, province by province, is as follows:

1926	Liberal and Progressive	Conservative
Prince Edward Is.....	2	2
New Brunswick	2	9
Nova Scotia	3	11
Quebec	52	13
Ontario	10	72
Manitoba	10	7
Saskatchewan	18	3
Alberta	12	4
British Columbia	4	10
Yukon	..	1
	113	132

* * *

AS A FLASH of light in the darkness, is the political campaign of Major-Gen. A. D. McRae in North Vancouver. Gen. McRae happens to be running as a Conservative, which is not significant, but it is significant that he is discussing in this campaign issues that appeal to him as vital in Canada's and British Columbia's prosperity. Somehow, the general has forgotten to find dirty names for his opponents; he has overlooked the petty issues that most of the politicians are raving about and he is discussing different issues.

Immigration and colonization is one of these. He would scrap the antiquated colonization methods of Canada and settle the Peace River area with immigrants from Europe, especially from the British Isles, brought via the Panama Canal and Vancouver — not, as now, by a long overland journey.

He has other ideas relating to freight rates; development of the Pacific Great Eastern Railway; creation of national parks and so on. Some of them are good policies. Good or bad, though, they are different.

Coal Output on Pacific Is Declining Rapidly

VANCOUVER.—Coal production in British Columbia, largely due to the competition of fuel oil from foreign countries and declining demand, is undergoing a serious period on the Pacific coast.

The depression in the market is reflected in the drop in output during the past six months. There was a decline of 112 759 long tons during the half year ending June 30, and there is every indication that the proportion of decline during the remainder of the year will be just as pronounced, if not more so.

The aggregate output of all collieries in the province was 1,062.343 long tons, as compared with 1,175,102 tons during the corresponding period in 1925. The only coal producing concern in British Columbia which registered a gain was the Canadian Collieries (Dunsmuir) Ltd., on Vancouver Island. The shutting down of the Wakesiah mine and the Western Fuel Corporation Limited, has curtailed production to a considerable extent.

A modern fish plant, consisting of complete equipment for the cleaning and freezing of fish, has been installed at Waterways, Alta., by the McInnes Fish Company. Special barges have also been constructed for bringing the fish to the end of steel.

"Better"

Kennedy Castings

From your own patterns or to your drawings, in all metals, cast iron up to 20 tons; in cast steel up to 3 tons. Our pattern shops are at your disposal.

The Wm. Kennedy & Sons Limited
OWEN SOUND, ONTARIO.

Representatives at Cobalt, Toronto, Montreal, Halifax, Winnipeg and Vancouver.

CENTRAL CANADA
LOAN AND SAVINGS COMPANY

Dividend No. 170

Notice is hereby given that a Quarterly Dividend of Three per cent. (3%) for the three months ending September 30th, 1926 (being at the rate of Twelve per cent. per annum), has been declared upon the Capital Stock of this Institution, and the same will be payable at the offices of the Company, Toronto, on and after Friday, the 1st day of October, 1926. The Transfer Books will be closed from the 16th to the 30th of September, both days inclusive.

By order of the Board.

G. A. MORROW,
Managing Director.

Current Comments

THE IMMIGRATION ISSUE

Vancouver Province: What is Canada's greatest economic need in this year of grace 1926?

Put this question to the first 100 people you meet, and in ninety cases the answer will be the same: "Canada needs more people."

The tariff is important; reductions in taxation is very desirable; clean, honest government is the earnest wish of every good Canadian; fearless handling of corruption, like that which has been disclosed in the customs department, is essential.

But a protective tariff which will foster home industries will not bring prosperity unless there is a large and increasing home-consuming market; reduction in taxation on any extensive scale is not to be expected unless our war burdens can be shared by a much larger population than we have at present; robbing the people by smuggling would not be so attractive to evil-doers if sound prosperity existed at home.

NO WHEEDLING OF DOMINIONS

Canadian Gazette, London.—We are glad to note, from what looks like authoritative statements in the British Press, that there is to be no repetition at the Imperial Conference in October of any attempt to wheedle, much less coerce, the Dominions into Empire defence schemes. One correspondent, who should know, tells us: "The Admiralty certainly will not revive during the conference any suggestions of monetary contributions by any of the Dominions towards the upkeep of the main British fleet. That idea is dead." The Admiralty do, undoubtedly, appreciate what Australia and New Zealand are doing in supporting Empire sea power, and when we ask what it might reasonably be hoped that Canada would do, we get this reply: "If Canadian ministers wish to make any effort towards strengthening sea defence, the admiralty is always open to give its advice, and that would probably be in the direction of strengthening the local defence force of the Dominion. Canada could, if she wished, follow Australia's example and lay down new cruisers and small craft, to be a part of the Royal Canadian Navy, officered by Canadians, and so on." There will be no full dress naval review in connection with this year's Imperial conference; money is too scarce. But there may be not less but more business done because of that.

DOMINION TEXTILE COMPANY LIMITED

NOTICE OF DIVIDEND

A Dividend of One Dollar and Twenty-five Cents ($1.25) per share on the Common Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending September 30th, 1926, payable 1st October, to shareholders of record September 15th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, September 1st, 1926.

SOUTHERN CANADA POWER COMPANY LIMITED

Dividend No. 27

A DIVIDEND of One and one-half per cent. (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending September 30th, 1926, payable October 15th, 1926, to shareholders of record September 25th, 1926.

By order of the Board.
L. C. HASKELL,
Secretary-Treasurer.
Montreal, August 27th, 1926.

Canadian Car & Foundry Company, Limited
Montreal

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the paid up Preference Stock of the Company for the quarter ending September 30th, 1926, has been declared, payable on the 9th day of October, 1926, to Shareholders of record on the 24th day of September, 1926.

By Order of the Board.
A. C. BOURNE,
Secretary.
Montreal, August 30th, 1926.

CANADIAN WOOLLENS, LIMITED

Notice of Annual Meeting

NOTICE is hereby given that the Seventh annual general meeting of the Shareholders of Canadian Woollens, Ltd., will be held at the Head Office of the Company, McDonnel Street, Peterborough, Ontario, on Tuesday, the twenty-first (21st) day of September, 1926, at the hour of 1.30 o'clock in the afternoon (Standard Time), for the purpose of receiving the report of the Directors for the past year, for the election of Directors, for the appointment of Auditors, and to transact such other business as may be properly brought before the meeting.

Dated at Peterborough, the 31st day of August, 1926.

W. TINKER,
Secretary-Treasurer.

NOTICE
PORT ALFRED PULP & PAPER CORPORATION

Notice is hereby given that a Quarterly Dividend of 1¾% (being at the rate of 7% per annum) on the 7% Cumulative Preferred Stock of this Corporation, for the Quarter ending September 15th, 1926, will be payable to shareholders of record September 8th, 1926.

By order of the Board.
A. WAGNER,
Secretary.

The Shawinigan Water & Power Company

Notice is hereby given that a dividend of Two per cent. (2%) has been declared on the Common Stock of the Company for the quarter ending September 30th, payable October 11th, to shareholders of record September 24th, 1926.

By Order of the Board.
JAMES WILSON,
Secretary.
Montreal, August 25, 1926.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1926, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of October, 1926, to shareholders of record of the 20th September, 1926.

By Order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 26th August, 1926.

The Ontario Loan and Debenture Co.

157th DIVIDEND

Notice is hereby given that QUARTERLY DIVIDEND of 2 PER CENT. for the current quart ending 30th September, 1926 (bei at the rate of 11 per cent. per annu has been declared on the paid capital stock of this Company an will be payable at the Compan Office, London, Ontario, on or af the 1st October, next, to Sharehold of record of the 15th September, 192

By Order of the Board.
T. H. MAIN, Manager.
London, Canada, 30th August, 192

Tenders for Debentures

Tenders are hereby invited for the purchase of Debentures of the Municipality of the Town of Grimsby, Ontario, to the amount of Nineteen Thousand Dollars.

These Debentures are issued under the authority of By-law No. 605 of th said Municipality of the Town o Grimsby and are to run for the perio of 15 years in equal annual instalments, with interest coupons attache payable yearly at the rate of five an a half per cent. per annum. The sai Debentures are issued in sums of no less than $100 each.

Tenders will be received up to P.M., the 10th day of September, 192 and are to be addressed to the undersigned Clerk. The highest or any tender not necessarily accepted.

Dated at Grimsby this 26th day of August, 1926.
A. HEWSON, Mayor.
W. F. RANDALL, Clerk.

Howard Smith Paper Mills Limited

DIVIDEND NOTICE
on
PREFERRED STOCK

Notice is hereby given that a Dividend of 2% on the Preferred Stock of the Howard Smith Paper Mills, Limited, has been declared for the quarter ending the 30th day of September, 1926, payable on the 11th day of October, 1926, to Shareholders of record at the close of business on the 30th day of September, 1926.

By Order of the Board,
E. HOWARD SMITH,
Secretary.
Montreal, August 23rd, 1926.

TAMBLYN-P.A.T.A. FIGHT PUTS PRICE CONTROL TO TEST

For their refusal to discontinue the selling of a number of proprietary articles below the Proprietary Articles Trade Association minimum price, the Toronto drug firm of G. Tamblyn, Ltd., have been refused goods by wholesale houses and have been put on the stop list. Writs have been issued by Mr. Tamblyn against two large wholesale houses and against several members of the association. This brings to a head the conflict that has been brewing for the past year with regard to price maintenance in drug circles. This attempt to eliminate price-cutting on the part of the P.A.T.A. will be followed with interest by Canadian business men, as it may ultimately affect manufacturers, wholesalers, and retailers in other lines of business.

The association in Canada comprises about 2,700 dealers or about 70 per cent. of the trade—and applies to 600 proprietary articles. The movement had its origin in England and from a small beginning it now embraces these 80,000 dealers and covers over 4,000 articles. Justification of the association is given by its founder, Sir William S. Glyn-Jones, who is also head of the P.A.T.A. in Canada, as follows:

"At first sight it would appear that it is against public interest to prevent unrestricted competition, but experience proves the contrary. In the absence of a fixed selling price, experience shows that prices of proprietary articles will reach a level so low as to leave no profit at all. Then the trouble begins both for manufacturer and consumer. Instead of taking his fair wage openly the cutter of prices takes it by stealth, sometimes if not dishonestly, at any rate by questionable methods."

Claim Made It Is Illegal

Those who oppose the plan claim that it is a selfish move on the part of the trade and that it is illegal under the Canadian Combines Act.

A similar movement is under way in the grocery trade, the Canadian Fair Trade League having been organized in Toronto. The success of this venture depends somewhat upon the situation in the drug trade as many large manufacturers are withholding their membership in the league until they make certain of the legality of the P.A.T.A. The tremendous growth of the chain store in the last few years is an additional reason for temerity among the grocery manufacturers, because by joining the league they stand to lose a great deal, if not all, of the chain store business.

Appreciation of "Smelters" by Public Still Growing

From Our Own Correspondent.

MONTREAL. — The market for the shares of the Consolidated Mining and Smelting Company has become more stable, and gradually the feeling seems to be growing that even at its present levels the shares are still an excellent purchase. "Smelters" does not publish the amount of its ore reserves, and those who have visited the properties say that the ore reserves of the company are practically inexhaustible. It has even been said that the production is a very definite factor in world markets, and that should the company expand too much, it would merely result in lowered prices for its output. Be all this as it may, there is little doubt that even with the meagre information which is given the public, the stock seems to have very decided attractions to those who look principally for market appreciations, rather than for a revenue from dividends. Thus the stock has strengthened of late.

The Customs Scandal

With the customs investigation still far from finished, the King Government already stands convicted of having co-operated with smugglers, bootleggers, dopesters and thieves, and of having thus been a party to defrauding the National Treasury, strangling legitimate business, debauching officials, high and low, thwarting the administration of justice, and bribing the electorate!

To cite but a few instances--already proven-- from its appalling record of malfeasance:

1 Stolen automobiles, smuggled into Canada with the connivance of Customs officials, were sold for a pittance to friends of the King Government, and those found guilty were allowed not only to go unpunished, but to continue their nefarious trade.

2 Smuggled liquor selling was engaged in on a large scale by Customs officials whose duty it was to protect the Treasury.

3 Corrupt officials were unpunished and promoted; honest officials were punished and demoted.

4 Prison-made goods are on the prohibited list, yet tons and tons of such goods, produced in prisons where contagious diseases were prevalent among the inmates, were smuggled into Canada for sale to innocent Canadian consumers, with the direct knowledge and co-operation of Government officials.

5 Police officers—members of the incorruptible Royal Canadian Mounted—were withdrawn from the Quebec boundary line at the request of the smuggling ring. Honest traders had asked for increased police protection, but the King Government preferred to grant the request of those who were defrauding the public revenue.

6 Guilty knowledge even in 1923 of the frauds that were being practised has been proven against the King Government beyond the shadow of a doubt. Time and again, in 1924 and 1925, the Commercial Protective Association—an organization of business men—placed before Mr. King irrefutable evidences of it, that they had succeeded in tracing down at their own expense. With his Government hopelessly entangled with Canada's criminal element, Mr. King did not—dared not—take any action to remedy the appalling conditions.

7 A total revenue loss estimated at $35,000,000 per year was the result of the smuggling thus condoned by the King Government.

8 A $54,800 loss was sustained in one case alone when Mr. Cardin, Acting Minister of Customs and Excise, settled for $3,200 with a dishonest importer, who, according to Mr. Cardin's own officials, had cheated the Treasury out of duties amounting to $58,000. This deal was consummated just previous to the last election.

9 Free liquor, from Government warehouses in Montreal, was supplied in generous quantities to members of the King Government and to Government officials in Ottawa, in contravention both of the Federal Law and the Prohibition Law of Ontario.

10 The habit-forming drug traffic is one of the worst curses in the world today. Under the protection of the King Government, Montreal became one of the great dope-distributing centres of North America.

11 The peak of this corruption, and of this interference with the Customs collection and the administration of justice, is proven by the evidence to have been reached just prior to the general election of October, 1925, when, at the written request of Liberal candidates, Ministers of the Crown called off the Royal Canadian Mounted Police because they were enforcing the law, kept convicted crooks out of jail, and sanctioned Treasury frauds as a means of securing the return of the King Government to power.

Despite the fact that with Mr. Kennedy supporting them, the Liberals had a majority on the Investigation Committee, that the Chairman Mr. Mercier was a Liberal, and that the Prosecuting Counsel Mr. Calder was a Liberal candidate in the last election, and despite the further fact that the committee sat almost daily for five months, thus affording Liberal members ample opportunity to uncover malfeasance on the part of previous ministries, not one word of proof, not one breath of suspicion, was brought against the administration of the Customs Department under the Laurier, Borden and Meighen Governments, but only against its administration under Mr. William Lyon MacKenzie King!

Has anything more disgraceful ever besmirched the pages of Canadian history? Can a proud and honourable nation, whose people fear God and eschew evil, afford to condone such dishonesty, such corruption, on the part of its leaders and public servants?

VOTE CONSERVATIVE

And avoid another Election!

3

Liberal-Conservative Victory Committee, 36 King Street East, Toronto 2

News of the Mines: *A Department for Executives and Investors*

NEW B.C. OPERATION TAKES UP EIGHTY CLAIMS TO EXPLORE

Backed by British Capital, it Will Operate Old Springer Creek Groups

NELSON, B. C.—Ottawa group of 30 mineral claims, Arlington of 14, Little Dorrit of 3, Skookum of 3, Eye-Exe-Ell of 5 Peerless of 6, Nancy Hanks of 2, Bonanza, No. 3 of 2, Strathroy of 8, with about 10 others intervening, in all comprising over 80 crown granted claims, close together on Springer Creek, flowing into Slocan lake, have been bonded to British Columbia Mines Exploration, an English operation registered at Victoria, under a provincial charter, head office, Vancouver, preliminary capital $500,000.

This is a developing and holding concern, which plans to open and partially develop properties, block out tonnage and reorganize each group, as a going concern.

This company is in the field to recommend well proven, large mining undertakings to British capital, which claims to be only too willing to take hold of extensive mines of merit, nothing being too far reaching if ore is in sight.

Ronald L. Campbell-Johnston, a mining, geological and metallurgical engineer, registered in British Columbia, and having long experience, conceived this scheme primarily of further developing the mines of Springer creek, being conversant with the ore bodies there.

Heavy Production in Past

Over 1,000,000 ounces of silver have to date been won from the Ottawa, and more than 900,000 ounces from the Arlington, both above Slocan City, while lesser shipments to Trail have been made from each of the other groups, now secured. However, this same ore extraction has apparently made no considerable impression as yet to speak of on any of these groups, and no particular depth has yet been attained, although the Enterprise has demonstrated the same ore bodies on a further 1,000 feet deeper level, without diminishing in values.

This engineer laid the plan before W. Elgie Bland, one of the committee chosen for city-planning in greater Vancouver, who is now the organizing director of this developing company, and who laid the idea before substantial British financiers. These people have promised to provide an initial sum of $300,000 for actual work, to be carried out on these Springer Creek properties, and although delayed for two months at the present from completing their formed plans, due to the prolonged coal miners' strike in Great Britain, they have now made arrangements to forward funds.

Mr. Bland has formed a local board of directors, with General Duff Stuart of Clarke & Stuart, as chairman, and as one of the directors, Colonel Keen, a director of the Ryan Contracting Co., who constructed the entire University buildings at Point Grey, the half million dollar hotel at Harrison Springs, and who now have gained the contract for the $5,000,000 hotel in Vancouver for the Canadian National Railways. A shareholder is W. R. Wilson, managing director of the Crow's Nest Coal Co., and one of the principal original shareholders of the Premier mine.

Mr. Campbell-Johnston has been appointed consulting and managing engineer.

Red Lake's Chances Are Just as Good as They Ever Were

Some of those who played a big part in boosting Red Lake when it was new are now starting to let the camp down—questioning its future.

Its future is just as bright as it ever was. It's still to be proven, but its chances of making a camp are in no way impaired. It's not the great camp many were led to believe, but it has a better outlook than some of the erstwhile boosters are now trying to make out.

The boosters and boomers are coming down to earth, that's all. They are beginning to realize that as a prospective camp it must take its bumps, have its ups and downs, before it ultimately reaches its proper level, from which it will go on, as other camps have done.

The Dome-Howey deal has given the camp somewhat of a black-eye. It will survive. Porcupine did, so did Gowganda. Matachewan is dead right now. but watch it blossom out some of these days.

Jack Hammell will do something with the Howey and do it quick. He's just itching to go. He can't for the moment, but he has opportunities regarding the property awaiting the moment for action.

Red Lake has not only suffered from the Dome-Howey deal, however. There were dozens of syndicates floated and a great many took money from the public.

Where are they?

They are not playing fair with the camp. They raised money to spend opening up prospects in Red Lake and a great many of them are not doing it. They are going to make it all the harder for the camp to get back on its feet by souring the public on it.

Hammell appreciated our story last week in regard the jockeying that has gone on. It hit the nail on the head. Incidentally, he says, the two 1,000-ft. drill holes which Dome put down are "hum-dingers."

South and Dome Finds In Red Lake Are Rich

Major Cunningham-Dunlop, field manager, Toronto, Red Lake Exploration Syndicate, has reported optimistically on the company's holdings in the East Bay section of Red Lake. A vein or formation showing plenty of visible gold and tellurides, and measuring over 100 feet wide, has been located on the Smith group of claims. The Syndicate holds 18 claims adjoining and the formation has been definitely traced on to the Syndicate's property.

Dr. Kelly, Ontario government geologist, was much taken with the Smith layout. He is working the electrical dip needle on the original holdings of the Toronto Syndicate on the South shore of Jackfish Lake about one mile from the Smith find. A large amount of real work has been done on these claims and the conditions and formations exposed have been the subject of much favorable comment by visiting engineers. Assays are encouraging and work is still in progress. Major Dunlop describes the new find on the property of the Dome Mines as about the richest surface showing in the whole district. He believes that this section of Red Lake is in a revival of interest.

NEW DEEP LEVEL

A new station at a depth of 2,350-ft., the deepest in the camp, has been cut on Kirkland Lake Gold. Crosscutting to the vein is proceeding.

FOLEY MINE LOOKS MORE INTERESTING

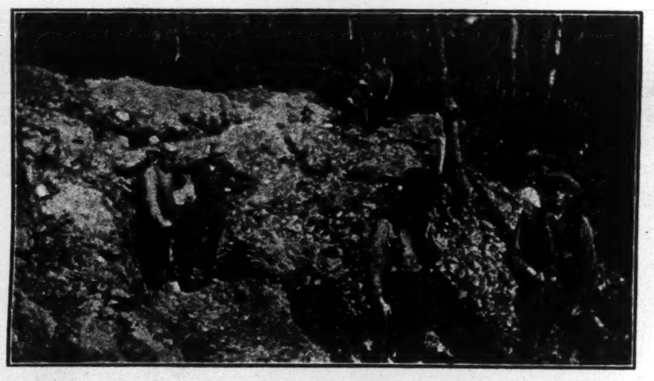
Good Results Obtained on Deep Levels—Mill Machinery Nearly All in

Foley Mine, Mines Centre near Pt. Arthur, and controlled in Toronto by British Canadian Mines, will be producing by the end of the year. Milling operations are waiting on a power supply which has been contracted for with the Backus interests. In a few weeks the mill will be ready. The facts are published by John R. Lumby in Ft. William Times Journal, following a visit to the property.

He says that in the West Crescent of the 850-ft. level the Jumbo vein shows 16 feet 5 inches wide. Drifting on this vein has been done both north and south for nearly 50 feet each way. Assays average $8 per ton. This vein, on the 400-ft. level gave comparatively low values but a long drift of over 400 feet north on the upper level opened out values up to $42 per ton.

A drift 80-ft. long has been run from the east crosscut of this vein and a widening out of the vein is indicated. Work will soon start on the 725-ft. level. On the 600-ft. level the drift on the Bonanza is 320-ft. long, width 7-ft. and values high. On the 500-ft. the drift is 350-ft. while the Jumbo is opened up by a long drift on the 400, with a width of six feet and values running over $40.

Typical Quebec Country



A recent picture taken in a trench on a side hill on Duprat property, N.W. Quebec. The trench is following a mineralized zone.

DUPRAT WILL BE DIAMOND DRILLED

Jos. Houston, Consulting Engineer, Recommends Electrical Prospecting First

Jos. Houston, M.E., Haileybury, has taken charge of Duprat mines, in Quebec, as consulting engineer. This property has promise, having two groups of claims in Duprat, one adjoining Waite-Montgomery on the west and the south group adjoining a Consolidated Smelters option. Mr. Houston has made a preliminary examination of the property. He says his cursory examination shows indications of developing ore bodies of commercial grade in copper. The geological conditions are similar to those properties where such ore bodies have already been developed.

Owing to the very limited amount of rock exposure, and the heavy overburden of galacial drift and the extensive areas of Marsh Lake, it is impossible to prospect the ground by ordinary trenching methods, and Mr. Houston advises the adoption of the recently developed electrical methods which have proved eminently satisfactory on other areas in this camp. He adds that the information thus secured will be very useful in plotting diamond drilling and save the company money.

On the south east Duprat location, there is a mineralized zone striking north east and dipping south which shows considerable copper and iron sulphide. It outcrops again several hundreds of feet south west near the lake. No work has been done on it here, but the engineer says it looks just as promising as where opened up. South of this location on the property optioned by Consolidated Smelters and only 100 feet south of Duprat's line, there is a large body of disseminated copper ore. It is several hundred feet long and at least 150 feet wide. This strikes north west into the south west location of Duprat and is just as strong and well mineralized as where it dips into the swamp at the northwest end as at any point opened up

The strength of this ore-body and its proximity to the line of Duprat's claims, says Mr. Houston, gives every encouragement for expecting similar results on the development at the south end of this property.

New Company to Operate Nova Scotia Gold Mines

Nova Scotia Mineral Development Co. has been organized for the purpose of developing the gold resources of certain Nova Scotia properties. The first activity will be Central Rawdon Mine, which this company controls, and following that other properties, includng the Galena Mine, will be developed. Windsor, N.S., interests are financing this new company.

MINING STOCK QUOTATIONS
Week Ending August 31

	High for wk	Low for wk.	Close Aug. 31	Close Aug. 24	Sales for wk.
Amulet	1.45	1.34	1.40	1.41	170275
Area	30	28	29¾	29½	31550
Argo. Cons.	32½	27	31	28½	734250
Baldwin	4⅝	3¼	4¼	3¼	220900
Barry Holl.	68½	66	67	69	187095
Beaver	81	78	79	79½	42450
Bourlamaque	1.13	1.09	1.13	1.11	33500
Can. Lorrain	87	86	86½	86	31300
Capitol	40	36	37	37	83900
Castle Tre.	1.44	1.38	1.39	1.43	63715
Don Rouyn	61	40	56	39½	25840
Coniagas	4.80	4.45	4.50	4.48	5285
Coniar'm	3.90	3.55	3.70	3.50	1730
Cons. Smelters	250	236	250	239	17103
Cons. W. Dome	25	21	21½	22	258850
Crown Res.	11	9¼	10	9½	18000
Dome Mines	11.35	11.00	11.35	11.25	6848
Duprat	16	16	16	13½	1000
Goldale	35	34	31	34	9700
Gold Hill	62½	48½	49	64	128562
Hill Top	30	25	25	30	17500
Hillcrest pref.	80	80	80	80	10
Hollinger	19.50	19.25	19.30	19.50	6055
Kirk. Hunton	15½	13¾	15	13½	35600
Jay Cop.	75⅝	75	75	74½	13300
Inter. Nic. com.	36½	36	36⅝	37	930
Keeley	1.75	1.53	1.53	1.75	21150
Keora M	20	18	19	20	14250
Keora Porc.	9	9	9	9	1000
Kirk. Lake	1.15	1.04	1.11	1.07	158300
Lakeside	2⅞	2½	2½	2¼	9500
Lake Shore	14.75	14.35	14.70	14.49	11935
La Rose	7½	6¾	6¾	7	2183
Lorrain	4	3¾	4	4	1500
Laval, Que.	27	25½	25½	25	38826
McKinley	13	10½	13	14	30900
McIntyre	26.50	26.15	26.30	26.50	3137
Millcrest	7	6½	7	6	8100
Mining Corp.	3.97	3.80	3.85	3.90	22184
Moneta	14½	14½	14½	14½	1000
Newray	35	35	35	35	300
Nipissing	7.20	5.70	6.48	5.70	30825
Noranda	19.55	18.85	19.20	19.45	35273
Pioneer	.72	.69	.72	.68	16300
Pete. Lake	6¼	5⅝	6¼	5⅝	22500
Pete L. Cobalt	19½	17½	19¼	17½	118500
Premier Gold	2.37	2.20	2.21	2.35	2910
Preston	7	6½	6¾	6	14500
Teck Hughes	4.80	4.50	4.59	4.70	97414
Towagmac	3.40	3.30	3.25	3.40	10965
Tough Oakes	54	48	47	53½	123200
Vickers	80	75	80	73	22250
Vipond Cons.	1.97	1.87	1.90	1.96	76631
Stadacona	43½	42	42¾	43	57200
Wright Har.	8.75	8.65	8.70	8.70	13286

O'Brien Takes Up New Holdings at Cross Lake

O'Brien mine in Cobalt has secured new holdings east of Cross Lake, following the development of high grades in a fault vein east of the original O'Brien claims on the Violet property of the LaRose, O'Brien officials foresaw possible development of silver in the area to the east. Ground was acquired immediately.

O'Brien has produced around 20,000,000 ounces of silver to date. New discoveries have been made west of Cross Lake and the past few months have added a large amount of new ore, including much high grade to reserves. The company is said to be in a better position for ore to-day than for some number of years past.

Boischatel Property Has 15% Copper and Little Gold

Favorable results are being obtained on the property of Rouyn Boischatel Development Co. in Boischatel Tp. Trenching and stripping has disclosed a large mineralized zone and practically throughout the length of these trenches good copper mineralization occurs, while two areas of almost massive chalcopyrite were found. Sample assays show 15.61 per cent. copper, with satisfactory gold values and traces of silver. The engineer reports that the conditions for deposition are favorable for large ore bodies in this zone.

LEAD AND ZINC
Over 3,000 acres under option in Ottawa Valley District.
A Developed Company, with a real future. Send for map.
OTTAWA VALLEY MINES LTD.
Head Office:
Citizen Bldg., Ottawa.

More Pep
Storage Batteries for Cars and Radio.
Monarch Battery Mfg. Co. Ltd.
Kingston - Ont.

CHAS. SPEARMAN
(B.Sc., M.A.)
CONSULTING MINING GEOLOGIST AND ENGINEER.
Examinations, reports, etc.
Exploration and mining programs.
Preliminary exploration, diamond drilling, etc.
Room 704, Power Bldg., Montreal, Que.
'Phone Main 6212.

We Solicit
inquiries from those interested in Canadian Mining Investments.
KIELY & SMITH
Members Standard Stock Exchange,
Canadian Pacific Bldg.,
Toronto, Can.

D. S. PATERSON & CO.
Members Standard Stock and Mining Exchange
Royal Bank Building TORONTO
Phones *AD. 4747
Specialists in Canadian Mining Securities

GORDON P. O'REILLY & CO.
Investment Stocks and Securities
Room 26, 74 Sparks St., Ottawa

JULIUS RICKERT & CO.
Geologists and Mining Engineers
Established 1894
67-70 UNION BANK BUILDING
Phone M9810 CALGARY, Alberta

In Ottawa
MOWAT & MACGILLIVRAY
Members Standard Stock and Mining Exchange
Stocks and Bonds
Direct wires to Toronto, Montreal and New York.
128 Sparks St., Ottawa

Specialists in Quebec's Mining Stocks
Send for Daily Sales Sheet of Quebec Stocks.
VICTOR RIGOT & CO.
Members Montreal Mining Exchange
55 St. Francois Xavier St., Montreal

ISBELL, LOGAN CO.
Mining Investments
190 St. James St., MONTREAL
Main 3401

ONTABEC
The Outstanding Purchase of the North
F. W. DAVIS & CO.
610 Union Bank Bldg.,
OTTAWA.

Free Map of Quebec Gold Fields
A specially prepared map. You should have one. Send today.
W. H. Thorburn & Co.
LIMITED
Royal Bank Bldg., Toronto

Mining Machinery
and rock drill parts — column parts for 3¼ S.S. column — hose couplings.
TELEPHONE 67.
Elliott & Whitehall Machine and Tool Co.
Manufacturers of
Milling Cutters, Reamers and Small Tools, Chucks and Fixtures, Special Machinery, Jigs and Dies.
GALT, ONT.
Stocks at Timmins
VINCENT WOODBURY,
Representative

A. G. CLARK & CO. LIMITED
Dealers in Oil Stocks and Leases
Offices at Lethbridge and Medicine Hat.
Members Calgary Stock Exchange.
410-412 Lougheed Bldg., Calgary, Alberta

ALBERTA OIL
Daily Quotations
Ottawa Bond & Security Company, Ltd.
BOOTH BLDG. - OTTAWA

Don Rouyn Discoveries
Write for latest information
St. Lawrence Finance Corp.
14 Hospital Street Montreal

North Western Quebec
"The Land of Opportunity"
PLANT & HAMPSON LTD.
Members Montreal Mining Exchange
Union Bank Bldg. OTTAWA

For practical assistance to the manufacturer, and business man in the testing, inspection and use of all materials.
Milton Hersey Company
LIMITED
Industrial Chemists and Engineers
Montreal Winnipeg

Castle Trethewey
Vipond Noranda
Bourlamaque Syndicate
MORGAN U. KEMERER
29 Melinda St.
Toronto 2, Ont.
Adelaide 7715
145 St. James St.
Montreal, P.Q.
Harbour 4935

HARVIE, SMITH & COMPANY
LIMITED
Dr. Robert Harvie, late of the Geological Survey of Canada
an organization combining accepted geological skill and the utmost fair dealing, devoted to the exploration and sale of mining properties.
Correspondence Invited
707 Canada Cement Building
MONTREAL

17.75
17.5
5.5

What We Have Done
--Not what we're going to do
--Not even what others have done
This is a Story of Worth While Achievement — Not a Series of High Sounding Promises.

THE DIRECTORATE
ROBT. WILKINSON, President. Oil Operator.
ARTHUR G. SPOONER, Vice-President. Vulcan Oils, Ltd.
J. E. McGINNISS, Director. Advance-Rumely Co.
A. A. DICK, Director, Owner, Alexandra Hotel.
L. A. NEWMAN, Director, Farmer.
R. A. WILDERMAN, Director, Rancher.
GORDON GOODISON, Secretary-Treasurer.
E. C. SNIDER, Director, Barrister.
PEET, MARWOOD, MITCHELL & CO., Auditors.
ROYAL BANK OF CANADA, Bankers.

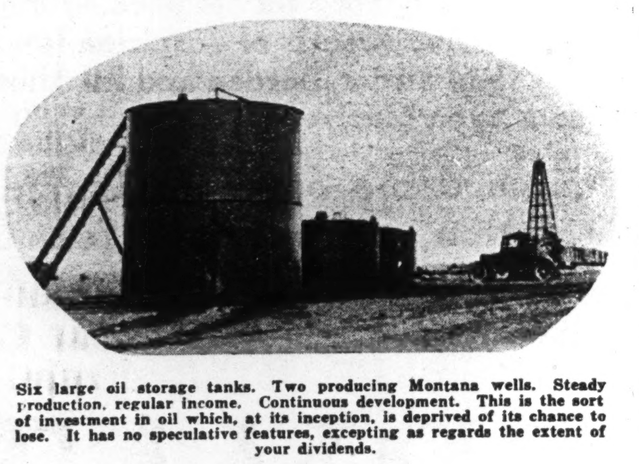
QUICK ACTION—Spudded first well, December 2, 1925. Received first cheque for oil produced March 1, 1926.
$1,051.75

Facts the careful investor in oil should consider. They furnish assurance of conscientious effort in your behalf and a steady income from your investment.
Two Producing Wells Now Earning Money.
No Promotion Stock.
Leases All Paid For in Full.
Storage Tank Capacity—1,750 Barrels.
Company Has its Own Drilling Rig, Rig Irons, Tools, Pumps, Pipe-Line and Power Plant.
Every Dollar Subscribed Goes Into Actual Development.
Company's Own Standard Rig Ready to Move to New Location.
Six More Wells to Be Drilled This Year.
Lease in Montana in Heart of Producing Area.
Lease in Turner Valley Adjoining Mid-West Well.
It's Your Opportunity to Get in Oil in Right Way.

You can share in this successful venture if you act at once

The success of Ellis Oils, Limited, under the present management, has been of an impressive nature. It has brought the Company greater opportunity in other fields and they have acquired the North Half of the South Half of Legal Subdivisions 3 and 4 in Section 24, Township 20, Range 3, West of the 5th Meridian. This property comprises 20 acres and is exceptionally favorably located in Turner Valley, the wonder field of the world. This opportunity and the desire to drill immediately to the great wealth producing horizon on this property is the cause of the increase in capitalization and of the stock issue now offered.

The Company is in a sound position. It is now enlarging its field of operations, and the public is offered a chance to share in the Company's good fortune to the extent of $150,000. The issue will be quickly absorbed, and we trust you will act without delay. Write for our
PROSPECTUS,
It is free on application.



Six large oil storage tanks. Two producing Montana wells. Steady production, regular income. Continuous development. This is the sort of investment in oil which, at its inception, is deprived of its chance to lose. It has no speculative features, excepting as regards the extent of your dividends.

APPLICATION FORM
Send This in Now!
ELLIS OIL CO., LTD.,
207 Leeson-Lineham Block, Calgary.
I hereby send you $....... and apply for .... shares of ELLIS OIL CO., LTD., at $1.00 per share, and agree to take same or such less number as may be allotted to me.
Signed ....
Address ....
Date......... ....
References: Royal Bank of Canada

ELLIS OIL COMPANY
LIMITED
207 Leeson & Lineham Block
CALGARY
Mair 3087

News of the Mines

SPENDING OVER HALF MILLION TO TEST OUT FLIN FLON ORE

Rushing 5,000 Tons of Supplies into Large Northern Manitoba Operation

By JOHN W. CALLINAN,
Exploration Engineer.

Manitoba's entrance as a precious and base metal producer now seems an assured factor. It is highly probable that the province will enter the producing class before the Province of Quebec, which will put Manitoba third in Canada's producers of these metals.

The mine that will stamp Manitoba as one of Canada's greatest, is the famous Flin Flon mine, which was discovered in August, 1915, just eleven years ago, and owing to war time conditions and the complex character of the ore, profitable treatment was not possible. Recently, a new process, completed by the Complex Ore Recovery Co., of Denver, Colorado, has been perfected.

When the Flin Flon was acquired in 1920 under option to W. B. Thompson of New York and the Mining Corporation of Canada, the property was to have been worked on a large scale as a low grade copper mine, with precious metals averaging about $3 per ton. At this period, no consideration was given the 4½ per cent. zinc content, as no process has been evolved to treat and save zinc in conjunction with the copper ores.

The new treatment will add a value of $7 per ton to the ores and this will be a tremendous item when it is taken into consideration that the Flin Flon ore body to a depth of 2,000 feet has over 40,000,000 tons of ore. This ranks Flin Flon as one of the largest mines, the deposit being regarded as the largest of its kind in North America. The ore body is 350 feet wide in places and has a length of 3,600 feet. The value of the ore per ton is now computed at $14 of which at least $7 per ton will be profit.

Limited Work Done

Development work done on the Flin Flon to date consists of diamond drilling and two shafts and some cross cutting and drifting on the 300 foot level. This latter was to prove up the diamond drilling to that depth.

The most outstanding feature, however, is the fact, that while in actual work upon the property less than $500,000 has been spent, this has been disclosed in actual ore to a depth of 900 feet, 20,000,000 tons or about *$250,000,000* worth and ranks as the *greatest* amount of ore ever disclosed per dollar spent in development.

The H. P. Whitney interests are now expending from $500,000 to $750,000 in a small plant as a pilot unit to make a commercial test of the ores at the property, and a full complement of men with engineers are now on the ground. They are taking in supplies upon a large scale.

The freight is taken up the Saskatchewan River to Sturgeon Landing, 120 miles, then across a 16 mile portage, then 45 miles by boat to the head of Schist Lake. Lumber for the mill and supplies will make a total of almost 5,000 tons of freight.

The engineers for all the different branches have now gone in to Flin Flon and work will proceed as rapidly as freight arrives. The tonnage is about 300 weekly and 50 teams are handling it at the portage.

Talk of 4,000 Ton Plant

The first plans are said to have called for a plant of 2,000 tons a day as the initial unit. This will probably be enlarged as the district has other larger properties now under development, in fact, Northern Manitoba will commence with more ore in sight than any camp in Canada.

To visualize the Flin Flon alone with its known ore developed, it has more ore than Porcupine, Kirkland Lake and Rouyn together. This will give some idea of its actual size and it is more than probable that a 4,000 ton per day plant will be erected.

The development of an immense water power on the Churchill River, 70 miles north of Flin Flon, will commence at once also, and it is expected that 100,000 h.p. will be the first unit developed and delivered at $18 per h.p.

The plant now being put in will be run only a short time, and it is expected some announcement will be made regarding the railroad from the Pas to Flin Flon as Manitoba government has guaranteed the bonds to the extent of $3,500,000 and it was agreed at that time that a direct indication of what the plans for the operation are, would be given the Manitoba government by Sept. 1, 1926.

At the Pas there are 250 men working in the Canadian National Railway yards enlarging the same to 20 miles of siding and building a new round house to accommodate 12 locomotives so as to handle the increase of business.

District North of Flin Flon

During the past winter Messrs. Fasken and Earle, Nipissing officials, examined and drilled the Sheriff-Madote properties 30 miles north of Flin Flon, and exposed about 6,000,000 tons of copper—zinc ore—or a high grade about $20 per ton.

The Mandy, which lies three miles south of Flin Flon, shipped 25,00 tons of high grade ore in 1918-19-20 and have about $14,000,000 in one lense at present which runs 8 per cent copper, 30 per cent. zinc, $5 gold and silver.

The Baker Patten group, which was recently taken over by James C. Grace and the writer, is eleven miles east of the Flin Flon, and is considered by many to be the making of a very large property as some very high grade copper ore is in sight. The oxidized zone, which extends over the claim length, has promise of developing with an enormous ore body, being 600 to 800 feet wide in some places. This property will be diamond drilled this coming winter and the details will be awaited with interest. Camps will be erected and put in readiness for early drilling.

The Don-Jon property, which lies one half mile east of the Baker Patten, ranks along with the Mandy as a very high grade property. It is also controlled by Messrs. Callinan and Grace. On the Don-Jon in one place the ore is 10 feet wide and assays high in copper ore; another is 35 feet and runs 6½ per cent. copper.

Both the Baker Patten and Don-Jon are zinc free at present.

Manitoba will have one of Canada's greatest camps and it is expected that at Flin Flon alone, a town of 15,000 people will result in a few years.

The development of Northern Manitoba means much for the province, as the operation of a large copper zinc industry will give large tonnage to the railways and generally benefit the province.

(Ed. Note:)—Mr. Callinan has just returned to Toronto after a thorough inspection of the properties mentioned. Incidentally he was one of the syndicate which first owned and sold the Flin Flon.

DRILL LEBEL LODE TO DEEP HORIZON

Company Quite Optimistic in Regards No. 3—Theory Interesting

Lebel Lode will diamond drill its Kirkland Lake property. D. D. Chisholm, Kirkland Lake, will commence drilling at once. The first hole may reach 1,000 ft. or more in depth crossing the formation to the northward 50 degrees and should cut No. 1 vein series around 200 ft. vertical depth; No. 2, vein about 500 feet and deeper down may intersect No. 3, to the north under a swamp.

The No. 1 vein on surface comprises a fracture-area some 30 ft. wide and some of these fractures are heavily mineralized and have yielded gold assays up to $20. No. 2 vein is exposed a short distance to the east by surface trenching and a shallow test-pit, it is also heavily mineralized and yields gold values. The exact position of No. 3 vein at point of drilling is not ascertainable because of swamp over-burden, but this vein has been uncovered at surface about a quarter of a mile to the west and at this point has been cut by diamond drill about 125 feet below the surface. Where No. 3 vein was cut by earlier drilling it was found to be about 6 ft. in width of loose filling that would not core, so very little information was obtainable as a result. It is now hoped that this vein may be cut at around 700 or 800 ft. depth where vein matter may be expected to afford a core for sampling.

From position, dip and line of strike, together with continuation of similar formation structure, officials and engineers of the company are hopeful that No. 3 vein may yet prove the continuation of the rich north vein as developed on Lake Shore, Wright-Hargreaves and Sylvanite mines to the west. Whatever the outcome may be, should the vein, as located on these mines, continue its line of strike, it would miss any other development to date undertaken east of the Sylvanite mines, for developments on Tough-Oakes would appear to be all south of the line of strike of this north vein.

Is Wainwright Pioneer Company Being Sought?

Union Oils, an independent California producer, is reported negotiating for control of British Petroleums, which would give immense holdings in Wainwright oil fields and a 40-acre lease in Turner Valley. The story is given considerable credence in Edmonton papers. It would help the field. B. P. has been a good company for Wainwright. It did the bulk of the pioneer work and stuck to this when others quit. It's funds became exhausted and though, nominally, it has been marking time, it has succeeded in placing some of its leases in hands that would exploit them.

When the writer was in the field in July, he met a couple of geologists of California Petroleums; a party of Union Oil geologists had just left for home.

Another interesting bit of news is that Western Consolidated in Wainwright field will drill deep into the lower sands where a heavier oil flow is expected.

Change Castle Meeting Date

President J. P. Bickell of Castle Tretheway and McIntyre Mines says the shareholders will be asked at the annual meeting to approve of a proposal to change the fiscal year ending from June 30 to March 31.

We will be glad to submit full particulars of

BOSTON CATHARINE MINES LIMITED
Boston Creek District

Recent development work has disclosed great possibilities for this property. Phone or write

F. A. O'Connor & Company
Elgin 5471
320 Bay St., Toronto

The Best of Oil Publicity

From The Edmonton Journal.

With the current issue of The Financial Post there appears a supplement devoted entirely to Alberta oil developments. It contains a great deal of information that was gathered by the mining editor, D. E. Cushing, during a recent visit, and it is certain to be the means of attracting the attention of many who have not hitherto been aware of the possibilities of the Alberta fields and of the large results that have already been obtained here. Mr. Cushing, in previous issues, has indicated how strong is his confidence in what the future holds for the province as an oil producer, and this is reflected all through the articles in the supplement.

The position of the various enterprises is reviewed in detail, and one gets from the publication a very complete picture of the oil situation in the province. The standing of The Financial Post is such that what it has to say on the subject must count for a great deal with the investing public. It means much to have it taken up in so comprehensive a way what has already been accomplished by the Alberta oil industry and the opportunities it offers.

Another Big Gasser In Southern Alberta

CALGARY.—Erickson Coulee well of Imperial Oil has struck a gas flow of 10,000,000 cubic feet per day. The well is 6 miles from Rogers-Imperial gasser, 25 miles east of Coutts and on the Canadian side of the boundary from Montana. The Rogers-Imperial, when flowing, produces 50,000,000 daily. It is now capped. The new well is on a different structure and the flow was encountered at 2,376-ft. It will be deepened.

Home Oils well may yet become a flowing well. The sand which is giving up about 35 barrels of 50 gravity light green oil and may reach 100 barrels on the pump, was encountered at 2,005-ft. and is known as Dokotas. This sand is apparently one that is local to the east side of the anticline, and nothing is known of it except that it has so far been proved to be at least two feet deep, and capable of yielding a larger amount of good oil than has ever before been met in the Dakotas in Turner Valley.

Possible Flowing Well

Should further drilling penetrate still more of the oil bearing strata, and the well be cased with comparatively small casing down to production, a flowing well is not at all improbable.

The well shows that production need not necessarily be limited to the limestone; that the field covers the area already claimed for it and makes possible the producing of oil at a depth no deeper than in Montana and produces a grade of oil far superior to that found in any of the neighboring producing shallow fields. It further indicates that production of crude oil is most likely to be found on the eastern side of the slope.

Vulcan has cleaned its well, having drilled past the last bit, pulled the 6-in. casing and then raised the tools immediately. Fifty feet in the limestone, Vulcan officials expect a large crude oil well around 5,100 ft.

New Northern Ontario Mill

The structure completed by Canadian Associated Goldfields at Larder Lake property. The size of the building can be judged by the number of windows. The machinery is in and the mill is about ready to run.

Why the Advance in the Mining Market

Is it Justified? Will it Continue?

FORTUNE awaits the person who can answer these questions definitely. We do not profess to be able to do so, so far as day-to-day movements of the market are concerned, but each issue of

GIBSON'S FORTNIGHTLY MINING REVIEW

contains information concerning mine developments which has a very direct bearing on future price trends.
The current issue is full of interesting data.
This little publication will help to guide your commitments into profit-making channels.
It is forwarded free for the asking. Write for your copy to-day.

HOMER L. GIBSON & CO.
PHONES: ELGIN 2241-2-3-4-5
Bank of Hamilton Building, Toronto

SEND for our new map of N.W. QUEBEC & PORCUPINE mining camps — *free on request!*

Phone:
*Elgin 5111**

F. G. OKE & CO.
Members Standard Stock Exchange
34 KING ST. EAST - TORONTO

The MARKET DESPATCH
ARTHUR E. MOYSEY & COMPANY, LIMITED
Continued Growth of Ontario's Mine Wealth Reflected in Steadily Growing

A Source of Reliable Mining Information

WEEKLY, we publish our Market Despatch in the interests of those who desire to secure accurate and timely information on the North Country.
This authoritative Bulletin will assist in a better understanding of underlying conditions, and also in anticipating market movements.
May we mail you a copy each week? No obligation.

ARTHUR E. MOYSEY & CO. LIMITED
FOUNDED 1904 TELEPHONE: ELGIN 5171
Moysey Building, 242 Bay Street, Toronto

CHEAPER WELLS IN ALBERTA POSSIBLE

Advent of Contractor is Changing Ideas of Cost and Time of Drilling

Drilling an oil well in Southern Alberta field at Turner Valley is turning out to be not quite so slow and expensive a job as was concluded by first experience. The explanation seems to be that contractors entering the field are proving that the problems are not greater than in many other fields. Seemingly it resolves itself into the same problem that many mining companies have faced, the ability of the man on the job to get footage for the money spent and seemingly the answer is the same in both cases, a contract job. A contractor has got to get footage to make any money and as his scale is usually on a bonus basis, the greater footage he makes in a given time the more money he draws down.

Great West let a contract and got 3,800-ft in a little over 3 months. Cooper Nanton with a contractor went down 3,000-ft. in six weeks. Great West by the way has the greatest string of 10 in. casing, 3,800-ft., in the camp. McDougall-Seager is down 1,500-ft. and Mid-Valley has now followed these three and let a contract. Incidentally the contractor fusses less with casing and fewer strings may be necessary, thus cutting into costs.

Stockman Oils has amalgamated with Henderson Petroleum giving it eighty acres and two drilling outfits, which will be used as soon as the first well is finished.

Variety of High Values In Large B.C. Ore Shoot

From Our Own Correspondent.

VANCOUVER.—This is an active year in the Portland Canal mining field, and results described as "startling" are being obtained on the High Grade group owned by W. R. Harner and Homer Ficklin, situated at the head of Magee Pass in the Marmot River section.

Under the supervision of Ficklin, nine open cuts have been made across No. 1 vein at distances of from 100 to 110 feet apart, showing the vein to vary from six to fifteen feet in width, with the same character of ore throughout. The vein has been traced for another 900 feet and cross-cut by an open trench at this point. On No. 2 vein six open cuts show a width of vein from seven to fifteen feet. The vein has been traced to a distance of 2,400 feet. The veins lie parallel and about 500 feet apart and the topograhy is such that both can be developed by tunnels.

One vein ran $8.40 to the ton in gold; $61.20 in silver; $30.40 in lead and $20.40 in zinc.

President Bickell announces that Platt Vet. is completely owned by McIntyre now. The new shaft, now below 3,000-ft. should reach 4,000 in March. He intimates that they are a little disappointed in Red Lake, saying: "So far the results have failed to confirm our early expectations."

WILL SINK SHAFT

Ostrom Gold Mines will start sinking on its property in Boston Creek. Diamond drilling has been completed and the results were very encouraging.

J. T. RICHARDS CO.
MINING STOCKS
CANADA LIFE BLDG.
OTTAWA
More than eighteen years' experience

Marclay Mines
LIMITED
Located at Boischatel.
Further information on request.
W. F. WRIGHT & CO.
Metropolitan Bldg.
TORONTO - ONT.

Belle Ellen Property in S. Lorrain Will Operate

Belle Ellen property in South Lorrain, controlled for some considerable time in England, has passed into the hands of a new company, headed by R. E. (Bob) Shillington, Haileybury, and will be developed at once.

The property is well located and regarded as having an excellent chance. The new directors are R. E. Shillington, G. A. Young, Toronto; M. P. Vandervoort, Toronto; secretary-treasurer, David Colville, Toronto, and Col. Cobbold, London, Eng. Capitalization, $3,000,000, $1 shares, with 1,250,000 shares and $62,500 cash in the treasury. The balance of the stock was paid for the property.

Harold Fancy, mining Corporation engineer in South Lorrain, will be in charge. The property has considerable development done and some years ago produced some very rich ore.

Barry Officials Pleased With 800-ft. Level Finds

Word is expected anytime now that Barry Hollinger's 150 ton mill is operating. Describing the new vein on the 800-ft. level, Manager L. B. Smith, writes, says President H. C. Crow, that where cut, it is 5-ft. wide with good walls. The mineralization is very strong and the quartz is of splendid appearance. On one side there is a good deal of red porphyry. This is something entirely new.

As far as it has been exposed it appears the best encountered in the mine. He is much encouraged by the appearance of this vein, due to the high degree of mineralization, the fineness of the mineralization, the dark color of the accompanying quartz and the large amount of porphyry present. Since then two more encouraging ore bodies have been encountered on the same level, showing heavily mineralized quartz.

C.I. COULTER & CO.
MEMBERS STANDARD STOCK & MINING EXCHANGE
BROKERS AND FINANCIAL AGENTS
MINING STOCKS BOUGHT FOR CASH OR ON A CONSERVATIVE MARGIN
103 RICHARDSON BUILDING
319 BAY STREET TORONTO
PHONE EL-1645 OR EL 3496

ALLEN & COMPANY
Investment Bankers
36 King Street East
Tel. Elgin 5516

INVEST IN BANNER OILS LTD. SHARES
All property approved for oil production.
Send for Engineer's Report.
604 MacLean Block, Calgary

The Purcell-Cote Co., Ltd.
CALGARY - ALBERTA
Financial Brokers
Investments, Oil Stocks, Leases, Royalties.
Members Calgary Stock Exchange
Reference, Royal Bank of Can.

GOLD and SILVER STOCKS
LORSCH & CO.
Established 1898
Members Standard Stock and Mining Exchange. Phone Elgin 5492-3.
56-58 King St. W., TORONTO, CAN.

A. W. HAWKEY & CO. LIMITED
Members Calgary Stock Exchange
Oil Stocks and Leases Bought — Sold — Quoted
We invite correspondence. Write us. Liberal Terms to Agents.
501 Leeson & Lineham Bldg., Calgary, Alta.

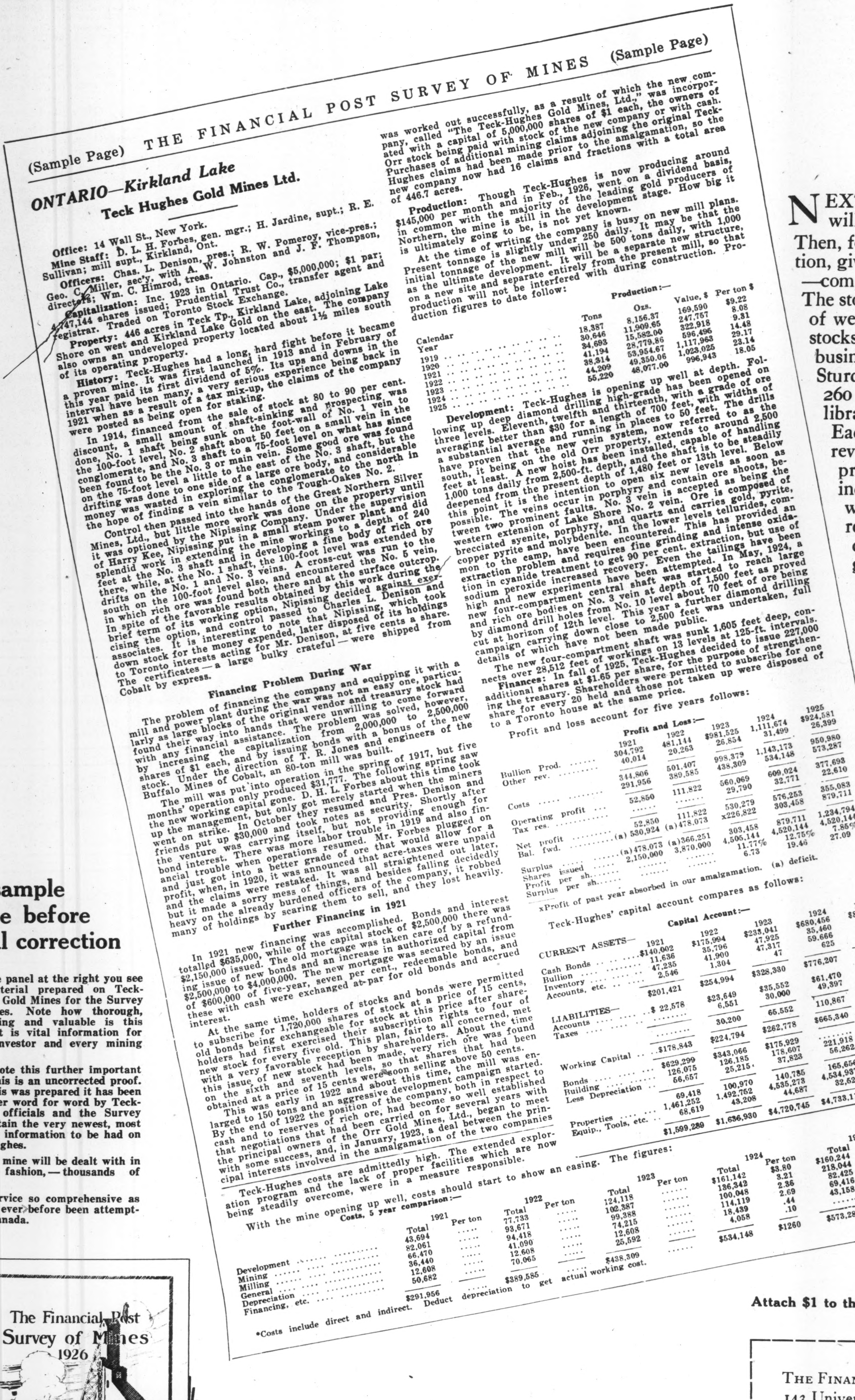
The Price Syndicate
invites you to consult them before investing in Alberta oil stocks. Member Calgary Stock Exchange.
212 Seventh Avenue West, Calgary, Alberta

W. R. HALPENNY, President and Manager. Phone M 1274. E. E. HALPENNY, Secretary-Treasurer.
Vulcan Brokerage Limited
(Members Calgary Stock Exchange)
STOCKS AND BONDS; OIL STOCKS, ROYALTIES AND LEASES
Company Organization a Specialty
114 Seventh Ave. E.
Calgary, Alta. CANADA
Drilling Contracts Arranged.
Choice Montana and Alberta Oil Lands.

PATRICIA AIRWAYS LIMITED
PROVIDES
The Quickest, Safest and Most Comfortable Way to Travel Between
SIOUX LOOKOUT, RED LAKE
And the Chief Gold Fields in the District of Patricia
Phone for full particulars or write:
PATRICIA AIRWAYS AND EXPLORATION LIMITED
506 C.P.R. Building, Toronto, Ont. Phone Elgin 4598
Seaplane Base: Sioux Lookout, Ontario

We Specialize in Canadian Mining
STOBIE·FORLONG & Co
STOCKS BONDS GRAIN
Head Office: Reford Building
BAY AND WELLINGTON STS. TORONTO
MONTREAL HAMILTON BRANTFORD } Private Wire System { KITCHENER OSHAWA ST. CATHARINES

Each Mining Company In Canada Covered in Great Detail



(Sample Page) THE FINANCIAL POST SURVEY OF MINES (Sample Page)

ONTARIO—*Kirkland Lake*

Teck Hughes Gold Mines Ltd.

Office: 14 Wall St., New York.

Mine Staff: D. L. H. Forbes, gen. mgr.; H. Jardine, supt.; R. E. Sullivan; mill supt., Kirkland, Ont.

Officers: Chas. L. Denison, pres.; R. W. Pomeroy, vice-pres.; Geo. C. Miller, sec'y, with A. W. Johnston and J. F. Thompson, directors; Wm. C. Himrod, treas.

Capitalization: Inc. 1923 in Ontario. Cap., $5,000,000; $1 par; 4,747,144 shares issued; Prudential Trust Co., transfer agent and registrar. Traded on Toronto Stock Exchange.

Property: 446 acres in Teck Tp., Kirkland Lake, adjoining Lake Shore on west and Kirkland Lake Gold on the east. The company also owns an undeveloped property located about 1½ miles south of its operating property.

History: Teck-Hughes had a long, hard fight before it became a proven mine. It was first launched in 1913 and in February of this year paid its first dividend of 5%. Its ups and downs in the interval have been many, a very serious experience being back in 1921 when as a result of a tax mix-up, the claims of the company were posted as being open for staking.

In 1914, financed from the sale of stock at 80 to 90 per cent. discount, a small amount of shaft-sinking and prospecting was done, No. 1 shaft being sunk on the foot-wall of No. 1 vein to the 100-foot level, No. 2 shaft about 50 feet on a small vein in the conglomerate, and No. 3 shaft to a 75-foot level on what has since been found to be the No. 3 or main vein. Some good ore was found on the 75-foot level a little to the east of the No. 3 shaft, but the drifting was done to one side of a large ore body, and considerable money was wasted in exploring the conglomerate to the north in the hope of finding a vein similar to the Tough-Oakes No. 2.

Control then passed into the hands of the Great Northern Silver Mines, Ltd., but little more work was done on the property until it was optioned by the Nipissing Company. Under the supervision of Harry Kee, Nipissing put in a small steam power plant and did splendid work in extending the mine workings to a depth of 240 feet at the No. 3 shaft and in developing a fine body of rich ore there, while, at the No. 1 shaft, the 100-foot level was extended by drifts on the No. 1 and No. 3 veins. A cross-cut was run to the south on the 100-foot level also, and encountered the No. 5 vein, in which rich ore was found both there and at the surface outcrop. In spite of the favorable results obtained by this work during the brief term of its working option, Nipissing decided against exercising the option, and control passed to Charles L. Denison and associates. It is interesting to note that Nipissing, which took down stock for the money expended, later disposed of its holdings to Toronto interests acting for Mr. Denison, at five cents a share. The certificates — a large bulky crateful — were shipped from Cobalt by express.

Financing Problem During War

The problem of financing the company and equipping it with a mill and power plant during the war was not an easy one, particularly as large blocks of the original vendor and treasury stock had found their way into hands that were unwilling to come forward with any financial assistance. The problem was solved, however, by increasing the capitalization from 2,000,000 to 2,500,000 shares of $1 each, and by issuing bonds with a bonus of the new stock. Under the direction of T. R. Jones and engineers of the Buffalo Mines of Cobalt, an 80-ton mill was built.

The mill was put into operation in the spring of 1917, but five months' operation only produced $31,777. The following spring saw the new working capital gone. D. H. L. Forbes about this time took up the management, but only got merely started when the miners went on strike. In October they resumed and Pres. Denison and friends put up $30,000 and took notes as security. Shortly after the venture was carrying itself, but not providing enough for bond interest. There was more labor trouble in 1919 and also financial trouble when operations resumed. Mr. Forbes plugged on and just got into a better grade of ore that would allow for a profit, when, in 1920, it was announced that acre-taxes were unpaid and the claims were restaked. It was all straightened out later, but it made a sorry mess of things, and besides falling decidedly heavy on the already burdened officers of the company, it robbed many of holdings by scaring them to sell, and they lost heavily.

Further Financing in 1921

In 1921 new financing was accomplished. Bonds and interest totalled $635,000, while of the capital stock of $2,500,000 there was $2,150,000 issued. The old mortgage was taken care of by a refunding issue of new bonds and an increase in authorized capital from $2,500,000 to $4,000,000. The new mortgage was secured by an issue of $600,000 of five-year, seven per cent., redeemable bonds, and these with cash were exchanged at-par for old bonds and accrued interest.

At the same time, holders of stocks and bonds were permitted to subscribe for 1,720,000 shares of stock at a price of 15 cents, old bonds being exchangeable for stock at this price after shareholders had first exercised their subscription rights to four of new stock for every five old. This plan, fair to all concerned, met with a very favorable reception by shareholders. About the time this issue of new stock had been made, very rich ore was found on the sixth and seventh levels, so that shares that had been obtained at a price of 15 cents were soon selling above 50 cents.

This was early in 1922 and about this time, the mill was enlarged to 150 tons and an aggressive development campaign started. By the end of 1922 the position of the company, both in respect to cash and to reserves of rich ore, had become so well established that negotiations that had been carried on for several years with the principal owners of the Orr Gold Mines, Ltd., began to meet with some success, and, in January, 1923, a deal between the principal interests involved in the amalgamation of the two companies was worked out successfully, as a result of which the new company, called "The Teck-Hughes Gold Mines, Ltd.," was incorporated with a capital of 5,000,000 shares of $1 each, the owners of Orr stock being paid with stock of the new company or with cash. Purchases of additional mining claims adjoining the original Teck-Hughes claims had been made prior to the amalgamation, so the new company now had 16 claims and fractions with a total area of 446.7 acres.

Production: Though Teck-Hughes is now producing around $145,000 per month and in Feb., 1926, went on a dividend basis, in common with the majority of the leading gold producers of Northern, the mine is still in the development stage. How big it is ultimately going to be, is not yet known.

At the time of writing the company is busy on new mill plans. Present tonnage is slightly under 250 daily. It may be that the initial tonnage of the new mill will be 500 tons daily, with 1,000 as the ultimate development. It will be a separate new structure, on a new site and separate entirely from the present mill, so that production will not be interfered with during construction. Production figures to date follow:

Production:—

Calendar Year	Tons	Ozs.	Value, $	Per ton $
1919	18,387	8,156.37	169,590	$9.22
1920	30,646	11,909.65	247,757	8.08
1921	34,693	15,582.00	322,918	9.31
1922	41,194	28,779.86	596,496	14.48
1923	38,314	53,954.67	1,117,963	29.17
1924	44,209	49,350.06	1,023,025	23.14
1925	55,220	48,077.00	996,943	18.05

Development: Teck-Hughes is opening up well at depth. Following up deep diamond drilling high-grade has been opened on three levels. Eleventh, twelfth and thirteenth, with a grade of ore averaging better than $30 for a length of 700 feet, with widths of a substantial average and running in places to 50 feet. The drills have proven that the new vein system, now referred to as the south, it being on the old Orr property, extends to around 2,500 feet at least. A new hoist has been installed, capable of handling 1,000 tons daily from 2,500-ft. depth, and the shaft is to be steadily deepened from the present depth of 1,480 feet or 13th level. Below this point it is the intention to open six new levels as soon as possible. The veins occur in porphyry and contain ore shoots, between two prominent faults. No. 3 vein is accepted as being the western extension of Lake Shore No. 2 vein. Ore is composed of brecciated syenite, porphyry, and quartz and carries gold, pyrite, copper pyrite and molybdenite. In the lower levels tellurides, common to the camp, have been encountered. This has provided an extraction problem and requires fine grinding and intense oxidation in cyanide treatment to get 90 per cent. extraction, but use of sodium peroxide increased recovery. Even the tailings have been high and new experiments have been attempted. In May, 1924, a new four-compartment central shaft was started to reach large and rich ore bodies on No. 3 vein at depth of 1,500 feet as proved by diamond drill holes from No. 10 level about 70 feet of ore being cut at horizon of 12th level. This year a further diamond drilling campaign carrying down close to 2,500 feet was undertaken, full details of which have not been made public.

The new four-compartment shaft was sunk 1,605 feet deep, connects over 28,512 feet of workings on 13 levels at 125-ft. intervals.

Finances: In fall of 1925, Teck-Hughes decided to issue 227,000 additional shares at $1.65 per share, for the purpose of strengthening the treasury. Shareholders were permitted to subscribe for one share for every 20 held and those not taken up were disposed of to a Toronto house at the same price.

Profit and loss account for five years follows:

Profit and Loss:—

	1921	1922	1923	1924	1925
Bullion Prod.	304,792	481,144	$981,525	1,111,674	$924,581
Other rev.	40,014	20,263	26,854	31,499	26,399
	344,806	501,407	998,379	1,143,173	950,980
Costs	291,956	389,585	438,309	534,148	573,287
Operating profit	52,850	111,822	560,069	609,024	377,693
Tax res.	......	....	29,790	32,771	22,610
Net profit	52,850	111,822	530,279	576,253	355,083
Bal. fwd.	(a) 530,924	(a)478,073	x226,822	303,458	879,711
Surplus	(a)478,073	(a)366,251	303,458	879,711	1,234,794
Shares issued	2,150,000	3,870,000	4,505,144	4,520,144	4,520,144
Profit per sh.	......	....	11.77%	12.75%	7.85%
Surplus per sh.	......	....	6.73	19.46	27.09

xProfit of past year absorbed in our amalgamation. (a) deficit.

Teck-Hughes' capital account compares as follows:

Capital Account:—

	1921	1922	1923	1924	1925
CURRENT ASSETS—					
Cash Bonds	$140,002	$175,994	$233,041	$680,456	$883,932
Bullion	11,636	35,796	47,925	35,460	37,733
Inventory	47,235	41,900	47,317	59.666	55,055
Accounts, etc.	2,546	1,304	47	625	122
	$201,421	$254,994	$328,330	$776,207	$976,842
LIABILITIES—					
Accounts	$ 22,578	$23,649	$35,552	$61,470	$44,472
Taxes	....	6,551	30,000	49,397	22,288
	....	30,200	65,552	110,867	66,760
Working Capital	$178,843	$224,794	$262,778	$665,340	$910,082
Bonds	$629,299	$343,066	$175,929	....	....
Building	126,075	126,185	178,607	221,918	374,769
Less Depreciation	56,657	25,215	37,823	56,262	99,420
	69,418	100,970	140,785	165,656	275,349
Properties	1,461,252	1,492,752	4,535,273	4,534,937	4,534,937
Equip., Tools, etc.	68,619	43,208	44,687	32,524	28,671
	$1,599,289	$1,636,930	$4,720,745	$4,733,117	$4,838,957

Teck-Hughes costs are admittedly high. The extended exploration program and the lack of proper facilities which are now being steadily overcome, were in a measure responsible.

With the mine opening up well, costs should start to show an easing. The figures:

Costs, 5 year comparison:—

	1921 Total	1921 Per ton	1922 Total	1922 Per ton	1923 Total	1923 Per ton	1924 Total	1924 Per ton	1925 Total	1925 Per ton
Development	43,694	.....	77,733	.....	124,118	......	$161,142	$3.80	$160,244	3.29
Mining	82,061	.....	93,671	.....	102,387	......	136,342	3.21	218,044	4.47
Milling	66,470	.....	94,418	.....	99,388	......	100,048	2.36	82,425	1.69
General	36,440	.....	41,090	.....	74,215	......	114,119	2.69	69,416	1.43
Depreciation	12,608	.....	12.608	.....	12,608	......	18,439	.44	43,158	.89
Financing, etc.	50,682	.....	70,065	.....	25,592	......	4,058	.10	......	....
	$291,956	.....	$389,585	.....	$438,309	......	$534,148	$1260	$573,287	*11.77

*Costs include direct and indirect. Deduct depreciation to get actual working cost.

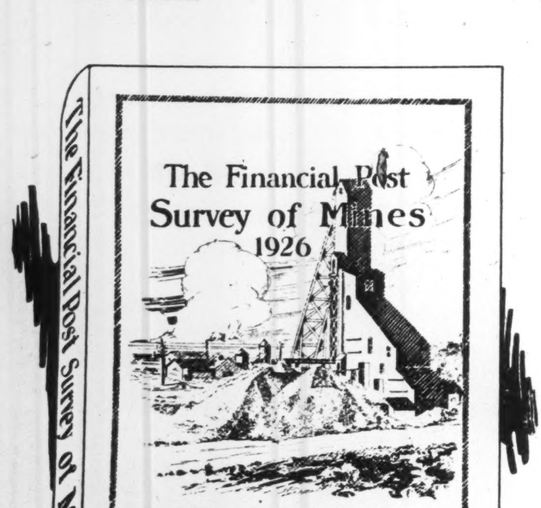
A sample page before final correction

In the panel at the right you see the material prepared on Teck-Hughes Gold Mines for the Survey of Mines. Note how thorough, interesting and valuable is this data. It is vital information for every investor and every mining man.

But note this further important fact. This is an uncorrected proof. Since this was prepared it has been gone over word for word by Teck-Hughes officials and the Survey will contain the very newest, most accurate information to be had on Teck-Hughes.

Every mine will be dealt with in similar fashion, — thousands of them.

No service so comprehensive as this has ever before been attempted in Canada.


The Financial Post
Survey of Mines
1926
THE MACLEAN PUBLISHING COMPANY, LIMITED
The Financial Post Survey of Mines

N EXT week, The Financial Post Survey of Mines will issue from the press.

Then, for the first time, Canada will have a publication, giving a nation-wide survey of Canadian mines—complete, accurate, interesting.

The story of Canada's most rapidly growing source of wealth will be told for the investor in mining stocks, the mine operator, the financier and the business man.

Sturdily bound, beautifully printed, this book of 260 pages will make a notable addition to your library.

Each and every mining camp in Canada will be reviewed in great detail—as to geology, mining practice, mill practice, production, etc. Each individual mining property will be covered, with full information concerning history, directors, capitalization, production, earnings, dividends, etc., and with a description of geology, workings and equipment.

All of Canada's economic minerals will be discussed at length. There will be dozens of charts and many tables.

There will be, as a timely feature, a chapter on oil in Canada.

Nothing so comprehensive as The Financial Post Survey of Mines has ever been attempted because no organization in Canada has, prior to this, been equipped to give such a service. The Financial Post, the leading investment paper of Canada, published by the largest publishing house in Canada, has been building for years to so perfect its organization that such a book is possible. Daniel E. Cushing, mining editor of The Financial Post, has visited and re-visited the mining camps of Canada—has been on the leading mines. He, and other editors, have personally prepared, or called upon experts to prepare, all the articles, maps, and analyses.

Order Your Copy Now

$1

Well-bound, well-printed, 260 pages

You will be amazed, when you see the Survey of Mines, to discover what a well-bound, well-printed book you are getting for your $1. Only quantity production, by an organization specializing in large-scale publishing, makes this possible.

At least 8,000 copies of this book will be distributed. There is a possibility that the first edition will be completely exhausted very shortly. Make certain of your copy by ordering now, a few days prior to publication.

Attach $1 to the coupon for each copy you want. *Copies will be* mailed from first lot off the press.

THE FINANCIAL POST,
143 University Avenue,
Toronto, 2, Canada.

Send me ...... copies of The Financial Post Survey of Mines, for which I enclose $1 each.

Name ....

Address ....

.... *September* 3.